# PUBLIC RELATIONS
# The Handling of O.P.S. Cases

## Plan the Handling of O. P. S. Cases

The handling of O.P.S. cases in the physician's office can be complicated, annoying and burdensome—or relatively simple, satisfying, and a source of encouragement to people who are really searching for some method of prepaying medical and hospital costs. Whether the physician's office be large or small the impact of O.P.S. cases appears to depend almost entirely upon whether or not the doctor, his receptionist and his bookkeeper have planned out a method of dovetailing O.P.S. cases into their regular procedures for scheduling appointments, preparing case histories and billing private patients.

An understanding of the major objectives of the O.P.S. program, the general provisions in the various kinds of coverage contracts and the general attitude of the typical O.P.S. subscriber are the keys to the problem. Whether a separate set of records is maintained for O.P.S. cases or not, there is no reason why a well thought out plan for handling O.P.S. cases in the doctor's office should not fit smoothly and effectively into his routines for the reporting and billing of other cases.

## Nurse and Receptionist Have Responsibility

The basic principles underlying any prepayment plan sponsored by the medical profession are such as to put its subscribers on guard for any sign that they are being handled in a manner different from the doctor's private patients. This is particularly true in their dealings with the office receptionist or nurse, sometimes in being made to wait longer than private patients for appointments, in being made to feel that they are an inferior type of patient, and in being made to think that the office really has no interest in the O.P.S. program. The patient's attitude toward the doctor and the plan may be irrevocably set before he even sees the doctor—in a vein that makes for difficult physician-patient relationships. It is therefore extremely important to the physician, and from a public relations standpoint to the profession as a whole, that the patient's introduction to the office be pleasant and confidence instilling.

The nurse or receptionist can make or break this phase of the handling of O.P.S. cases. **If she understands the tremendous stake her employer and the entire profession has in the O.P.S. program**—in the public's attitude toward the "doctors" plan, the physician need not worry about the initial impression.

## Identify the O. P. S Subscriber

Many offices, due to the growth of all kinds of health insurance, have adopted the policy of uniformly inquiring of each new patient as to whether or not he or she is covered by any form of insurance. This procedure frequently saves embarrassing situations arising during or fol-

quests should be made by letter to the Chief Medical Officer, U. S. Veterans Administration, Regional Office, 1019 S.W. 10th Ave., Portland, Oregon, or by telephone to ATwater 5225 (reverse the charges). In emergency cases where it would be dangerous to the patient to wait for authorization, the physician should go ahead with indicated treatment but must notify the V.A. in the usual manner within fifteen days after treatment is commenced.

In requesting authority to treat a veteran under this program, the physician should give the following information: (1) veteran's full name, (2) dates of enlistment and discharge, (3) type of discharge, (4) veteran's rank and organization, (5) veteran's medical claim number, if any, (6) disability for which treatment is requested, (7) treatment recommended—type and number.

Under existing law the Veterans Administration cannot pay for treatment rendered prior or subsequent to the dates noted on their authorization, nor can they pay for treatment that is not authorized.

Should treatment other than that specifically authorized be required, notify the Chief Medical Officer immediately so that a "supplemental" authorization can be issued.

## PAYMENT FOR SERVICES UNDER VETERANS PROGRAM

O.P.S. cooperating physicians' bills for services under this program are paid on the fee schedule in effect with the U. S. Veterans Administration. Ordinarily it is possible to make payment of these accounts within thirty days after the physician's bill has been received in proper order.

## 4. Accident Cases -- 3rd Party Liability

It is the intent of O.P.S. contracts to exclude liability for medical, hospital and related services in the so-called "third party cases". This provision is placed in our service agreements on the theory that the responsible party or his insurance carrier should assume medical and hospital costs in such cases. **Should a subscriber become involved in one of these "third party cases", and should he make all reasonable effort to secure payment of medical and hospital expenses from the responsible third party, and fail to do so, O.P.S. will then assume responsibility for medical and hospital expenses which cannot be paid for out of whatever settlement is made.**

Ordinarily the business office of O.P.S. will advise the patient's attending physician as to the current status of any "third party case". When it is finally determined whether or not O.P.S. shall assume the medical and hospital costs, the physician and hospital are again notified as to whom the bills shall be sent.

lowing a course of treatment, particularly if the treatment is of an elective nature that the patient might not have been able to afford had it not been for medical coverage of some sort.

Most O.P.S. subscribers will have immediately available some form of identification—either a card or a treatment requisition. Thus, the receptionist's inquiry right at the beginning, channels the case in the particular routine set up for O.P.S. cases.

## Let the O. P. S. Office Make the Decisions

No one in the doctor's office should attempt to make a final determination for the patient as to the extent to which O.P.S. will cover the expense of treatment. The final decision on this point is a necessary function of the O.P.S. business office—as it is the only place where all of the factors necessary to such a decision are available.

In unusual cases, where the physician or his office attendants have made extensive studies of the various types of O.P.S. coverage, it is practical to generally advise the patient that his contract either does or does not cover a particular condition. There are certain standard exemptions in all O.P.S. contracts such as insanity, alcoholism, congenital defects, preexisting conditions, etc., that may be correctly judged in the majority of cases. But with the expansion of the O.P.S. program to include sevesal different types of coverage, problems involving "preexisting conditions", "waiting periods", "dates of coverage," etc., should be passed on to the proper O.P.S. office.

Some of the most unsatisfactory public relations episodes in the history of O.P.S. have arisen out of commitments made by the doctor's office as to whether or not a certain injury or illness should be covered. The safest method is to set up an office routine to clear all except the minor O.P.S. cases with the O.P.S. business office. Experience has taught that from a public relations standpoint it is best to tell the patient that a report will be submitted to O.P.S. requesting that his eligibility for treatment or surgery be cleared. Regardless of what action O.P.S. takes, the **physician's office is not placed in the position of having its judgment questioned**—usually on the basis of some technicality about which the doctor's office could not be expected to know.

It is unusual for minor cases to be rejected by O.P.S., hence the Board of Directors' regulation that cases involving total expense of less than $25.00 ($10.00 in Multnomah County) need not receive advance authorization and clearance. Initial Case Reports are required only on cases involving expense in excess of these amounts and in cases where the patient is referred to another physician or a dentist.

## Clear O. P. S. Liability First

Except in emergencies, extensive treatment and/or diagnostic procedures should not be undertaken until after clearance has been received from the proper O.P.S. business office. The receptionist or bookkeeper's routine for O.P.S. cases should, if at all possible, provide for an adequate interval between the patient's first office visit and the start of extensive treatment and/or diagnostic work. Prepaid medical and hospital service plans will in many instances make more extensive procedures available to a patient than he could

afford as a private patient. Unfortunate circumstances that can arise, are those in which a case has to be rejected by O.P.S. after the treatment or diagnostic procedures have been completed.

The Initial Case Report is simply a protection to the doctor-patient relationship in O.P.S. cases. The doctor's office routine should be set up to take maximum advantage of its use. A system should be provided for sending case reports to O.P.S. promptly, particularly in hospitalized cases, as the hospital cannot be notified of O.P.S. liability until the case report is received.

## Use "Referral Requisitions" Properly

When it becomes necessary to refer an O.P.S. patient to another physician for consultation, to a dentist, to a laboratory, or to a hospital for outpatient service, use every reasonable precaution to avoid obligating O.P.S. for services that are not its responsibility—and have to be rejected later. This is particularly important in dental referrals; be sure that the proposed dental care is covered by the patient's service contract.

The dental profession must be able to depend upon the validity of referral requisitions issued by O.P.S. physicians. When dental services are rendered on the basis of a "referral", and are later rejected by O.P.S. because of the specific limitations in the service contracts covering dental services—the effect on both the dentist and the patient is bad.

Clearing O.P.S. cases with the business offices, and acquiring an understanding of the dental benefits provided are the best safeguards a physician's office can establish against incidents of this kind.

## The Doctor is the Entire Profession— To the O. P. S. Subscriber

To the patient, the individual physician represents the entire O.P.S. program. The impression he receives in the doctor's office governs to a large extent his opinion as to how successful the medical profession is in providing an alternate to socialized medicine schemes. While the doctor may understand this responsibility, all too frequently the office nurse or receptionist or bookkeeper does not have an adequate understanding of these relationships—that O.P.S. is not just another "insurance company", that it has a responsibility beyond the rendering of medical care, and that the entire medical profession has a positive interest in the handling of every O.P.S. case that comes to the individual doctor's office.

## Subscribers May Not Understand O. P. S. Problems

Unavoidably there will arise instances in which there are differences of opinion, between O.P.S. and the physicians' offices. Wherever possible these matters should be settled one way or another without bringing the O.P.S. patient into the discussion. The proprietary interests and relationships among the profession and O.P.S. are too complicated for immediate understanding by the patient. Without extensive explanation he is likely to assume that doctors generally are not united behind O.P.S. if he is subjected to comments about the fees, claim adjustments and other routine problems that are continually under discussion.

2354

3701

## Get Acquainted with O.P.S.

The receptionist, bookkeeper and nurse should be encouraged to learn as much as possible about O.P.S., the different kinds of coverage and the rules and regulations concerning the handling of O.P.S. cases. They can be extremely helpful to the public by being able to intelligently discuss Oregon Physicians' Service with patients. On the other hand they should be discouraged from discussing with O.P.S. patients either the fee schedule or the manner in which doctors are compensated by O.P.S. for their services. These are private matters of concern only to the doctor and O.P.S.

All three O.P.S. offices extend an open invitation to doctors' office employes to visit them, to become acquainted with O.P.S. employes who as a matter of fact are their co-workers with common interests and objectives, and to see at first hand how the O.P.S. administrative offices operate.

---

(This exhibit has 71 pages. Pages 30 through 65 consists of OPS fee schedules. In connection with neuropsychiatric examinations and complete or special physical examinations it is stated that prior authorization is required.)

**Plaintiff's Exhibit 127**

3744

SPONSORED BY THE OREGON STATE MEDICAL SOCIETY

OREGON'S APPROVED MEDICAL SERVICE PLAN

OREGON [Emblem] PHYSICIANS' *Service*

471 Pittock Block
Portland 5, Oregon

## Important Notice to all O. P. S. Cooperating Physicians

The first audit of Oregon Physicians' Service, as required by law, has now been completed by the State Insurance Commissioner. The chief result from this statutory audit is that the Insurance Commissioner demands that O. P. S. establish adequate cash reserves immediately in accordance with a formula devised by his office, this reserve to be for the purpose of paying medical, hospital and other service bills on claims incurred in one fiscal period but not reported until the next period, and for future payments under previously established and continued claims. The formula provides that the amount of these reserves is calculated on the experience of the preceding fiscal year, and designates that the amount be reportable as a liability on the annual balance sheet. Once established, such reserves will require only slight adjustment from year to year, based on fiscal experience.

The Board of Directors believes that immediate, definite action is required with regard to this matter inasmuch as the Insurance Commissioner demands that the desired reserve status be attained as of December 31, 1945.

In order to attain the desired reserve status by the designated date, the Board of Directors of Oregon Physicians' Service at its December meeting voted that this reserve be set up as of December 31, 1945 and that this amount (to be determined exactly when 1945 gross income is fully known) shall be deducted from the total amount of funds otherwise available for the payment of cooperating physicians' services in the period prior to December 31, 1945. Obviously this procedure will involve a sharp reduction in the percentages of fee schedule payable to cooperating physicians for all medical services rendered to O. P. S. subscribers during that portion of 1945 for which payment has not already been made. The procedure

will be applied uniformly throughout the entire state. Some service payments will be delayed necessarily until all calculations are completed, but customary payments will be resumed immediately after reserve requirements have been met.

This reserve will be handled on a revolving fund basis (now being formulated) with periodic adjustments such that funds held in reserve always will proportionately represent the active cooperating physicians.

3745 It should de distinctly understood that this development is not due to any difficulty experienced in O. P. S. operations but entirely to a complete and sudden change in the reserve requirements. Obviously this deduction for reserve purposes applies only to the payment period for services rendered up to December 31, 1945; it is fully anticipated that usual payments will be resumed immediately thereafter on approximately the same basis as heretofore.

In meeting these reserve requirements, the Board of Directors feels that it has acted in the ultimate best interests of Oregon Physicians' Service and all O. P. S. cooperating physicians. If for any reason we have failed to clarify this matter fully, please feel entirely free to call upon the Board of Directors or our management for additional information. Your cooperation with regard to this matter is essential and will be appreciated.

Sincerely yours,

OREGON PHYSICIANS' SERVICE

BOARD OF DIRECTORS

D. R. Ross, M.D.
J. P. Brennan, M.D.
C. I. Drummond, M.D.
Gordon B. Leitch, M.D.
L. M. Spalding, M.D.

**Plaintiff's Exhibit 128**

3746 OREGON PHYSICIANS' SERVICE

[Emblem]

MEDICAL AND HOSPITAL SERVICE FOR EMPLOYEE GROUPS

A PRE-PAYMENT SERVICE PLAN SPONSORED AND APPROVED

by the

OREGON STATE MEDICAL SOCIETY

E. RAY EDWARDS

---

3747 OREGON PHYSICIANS' SERVICE

*offers you the best in medical care, hospitalization and allied services.*

MEDICAL CARE

TREATMENT AND SURGERY for as long as one year for all sickness and for injuries originating under and stipulated by the contract are furnished by O.P.S. cooperating physicians and surgeons.

SURGICAL AND CONSULTATION services of O.P.S. cooperating specialists upon referral by attending O.P.S. physician or surgeon.

EMERGENCY MEDICAL AND SURGICAL treatment when cooperating physicians are not available. The subscriber may call the nearest available medical doctor to render emergency services. The cost of such services will be defrayed to the extent of O.P.S. schedule rates. Traveling employees may use this emergency service when necessary anywhere.

PHYSICAL EXAMINATION upon request, not oftener than once yearly.

EYE EXAMINATION by O.P.S. cooperating eye specialists.

X-RAY service upon recommendation of attending O.P.S. physician or surgeon.

OTHER O. P. S. SERVICES

DENTAL SERVICE for treatment of acute gum conditions, and simple extraction of teeth for immediate relief. Dentists cooperating with O.P.S. are available for this service.

PHYSICAL THERAPY treatments shall be provided when such treatment shall be deemed advisable by the attending physician or surgeon.

AMBULANCE SERVICE or other appropriate transportation for conveying the seriously sick or injured to hospitals.

FIRST AID SUPPLIES. First Aid cabinets for use in sickness and non-occupational accident cases will be provided and maintained by O.P.S. for use of all subscribers covered in each employe group. Supplies for industrial accident cases are provided when arrangements are made with the industrial compensation carrier.

PROPHYLACTIC MEASURES will be furnished by O.P.S. to prevent the spread of disease among groups of persons covered by its contracts. This includes vaccines and serums for virulent diseases.

*The statements contained herein are to be considered only as a short general explanation of the services offered to employe groups by O.P.S. This is not a contract. A full explanation of all services provided, together with limitations and exclusions, is included in the O.P.S. Employe Group Full Coverage Contract. A copy of the Full Covraege Contract is available for inspection at O.P.S. offices or your place of employment.*

3748 HOSPITALIZATION

* * * * *

Oregon Physicians' Service—Sponsored and approved by the Oregon State Medical Society—

Maintaining a comprehensive Medical and Hospital Service—

Through a state-wide staff of more than 900 Physicians, Surgeons and Specialists—

For employees throughout Oregon.

## WHEN THE NEED FOR MEDICAL CARE ARISES--

Each subscriber is privileged to choose his own physician from a list of more than 900 cooperating physicians, surgeons and consulting specialists throughout the State of Oregon (list furnished upon request). Except in emergency cases, medical service is secured through a "treatment requisition". These are available at the employer's Personnel or Accounting offices and at any of the Oregon Physicians' Service offices. When it is impossible to secure a requisition before consulting your physician, advise him that you are an O.P.S. member and that you will secure a requisition as soon as possible.

On the first visit to the doctor's office, present the treatment requisition. By so doing, the physician or surgeon is able to verify your membership status with one of the O.P.S. offices. This serves as protection to both doctor and patient, as O.P.S. will get in touch with them immediately should there be any question as to membership status.

Should hospitalization become necessary, the physician should notify the hospital at the time of admittance that the patient is an O.P.S. subscriber. Treatment requisitions are not necessary for hospital admittance. Oregon's approved general hospitals have facilities for verifying your membership status directly with one of the O.P.S. offices.

Other allied services available to subscribers under this plan, such as laboratory work, X-ray, ambulance, etc., generally arranged for through the attending physician.

Under this plan you may expect and will receive the same quality of medical, hospital and allied services as you would receive on a private consultation basis. In addition, the arrangements under which cooperating physicians and surgeons care for O.P.S. subscribers guarantee continuation of the personal patient-physician relationship so vital to all of us when ill or injured.

OREGON [Emblem] PHYSICIANS' *Service*

471 Pittock Block — Portland 5, Oregon
455 Ferry St. — Salem, Oregon
225 Medford Center Bldg. — Medford, Ore.

## Plaintiff's Exhibit 129

3749

# OREGON PHYSICIANS' SERVICE FULL COVERAGE MEDICAL AND HOSPITAL CONTRACT

(Illness and Non-Occupational Accidents)
(*Marginal notation*) O.P.S. CONTRACT

CONTRACT, made and entered into on this ..... day of ....., 19...;

BY AND BETWEEN OREGON PHYSICIANS' SERVICE, an Oregon corporation having offices situated at Salem, Portland and Medford, in the State of Oregon, and being licensed to conduct the business of an hospital association under the laws of the State of Oregon, hereinafter called "O. P. S.";

AND .....;
hereinafter called "the Employer";

WITNESSETH: O. P. S., in consideration of the sums of money to be paid to it by the Employer as hereinafter provided, hereby agrees to procure, and make available, at the expense of O. P. S., to each employe entitled to the benefits of this contract with the Employer and working in connection with the Employer's operations at .....,
from time to time as occasion demands during the life of this contract, medical and surgical services, hospital accommodations, ambulance service, dental service and other benefits as follows:

1. MEDICAL AND SURGICAL SERVICES: Except as otherwise provided in this contract, O. P. S. will bear the expense of necessary medical and surgical services required by each employe entitled to the benefits of this contract, for illness or non-occupational injury, such services to be rendered by physicians or surgeons authorized by O. P. S. (hereinafter, for convenience, sometimes called physicians, surgeons or specialists cooperating with O. P. S.), who will render such services at their respective offices, or at hospitals approved by O. P. S., or at the employe's home, or at the place of occurrence of an emergency illness or injury. Services elsewhere than at such physician's or surgeon's office will be procured only when the illness or injury of the employe requiring such services is such as to render him unable to travel to such physician's or surgeon's office. Each employe entitled to the benefits of this contract shall be allowed unrestricted choice from amongst available physicians and surgeons cooperating with O. P. S. for the treatment of illness or injury.

2. EMERGENCY CARE: If injury or illness shall occur within the State of Oregon to an employe entitled to the benefits of this contract and the services of a physician or surgeon cooperating with O. P. S. shall not be available to him, then, and in that event, either the Employer or the employe may obtain the services of the most conveniently available doctor of medicine licensed by the Oregon State Board of Medical Examiners, to render emergency services to such injured or ill employe until such time as a physician or surgeon cooperating with O. P. S. can render such employe his services, in which event the expense of such emergency services will be defrayed by O. P. S. to the extent of an amount equal to the established O. P. S. rates for such services. Either the Employer or such employe shall immediately notify O. P. S. of such injured or ill employe's requiring, and receiving, such emergency services. Failure so to notify O. P. S. shall relieve O. P. S. of all responsibility for the care of such employe other than for actual emergency treatment. Such emergency treatment shall include surgical operation or extended hospital care only when specifically authorized by O. P. S.

3. CARE OF TRAVELING EMPLOYES: An employe entitled to the benefits of this contract if injured or taken ill while out of the State of Oregon but within the continent of North America, and not elsewhere, shall be entitled to receive the services of a state-licensed doctor of medicine, and hospital services for serious cases, in the nearest city or town in which such services may be available and the costs of such services shall be paid by O. P. S. to the extent of an amount equal to the established O. P. S. rates for such services. It shall be the duty of such injured or ill employe to notify O. P. S. as soon as possible of his requiring, and receiving, such services. Failure on the part of such employe to give such notice to O. P. S. shall relieve O. P. S. from all responsibility for the care of such employe other than for actual emergency treatment. Such emergency treatment shall include surgical operation or extended hospital care only when specifically authorized by O. P. S.

3750 4. SPECIALISTS: Services of specialists cooperating with O.P.S. will be procured on the recommendation of the attending physician or surgeon cooperating with O. P. S. Services of eye, ear, nose and throat specialists will be procured when required for the care of injury or disease of the eye, ear, nose or throat.

5. DENTAL SERVICES: Dental services of dentists authorized by O. P. S. will be procured to the extent of the simple extractions of teeth and treatment of acute gum trouble for the purpose of immediate relief. Extractions are limited to not more than four teeth in any one case excepting that a staff physician may authorize additional extractions for the treatment of systemic sickness. Services for extraction of erupted impacted wisdom teeth are provided only when an attending physician may recommend such extraction as necessary treatment of a systemic sickness. Unerupted impacted wisdom teeth are not covered at any time. Treatment for Vincent's Angina (trench mouth) will be procured, as well as dental X-ray, when ordered by a physician or surgeon cooperating with O. P. S. Treatment for pyorrhea is excluded from the coverage of this contract.

6. MEDICINES FOR HOSPITALIZED PATIENTS: O. P. S. will procure all necessary medicines, medical and surgical supplies which may be used or prescribed by physicians or surgeons cooperating with O. P. S. in the treatment of employes while receiving necessary care in general hospitals approved by O. P. S. as stipulated in this contract. Serums and antitoxins, and the administering thereof, will be procured for the treatment and prevention, or the treatment or prevention, of virulent diseases, including pneumonia, diphtheria, typhoid fever, smallpox, erysipelas, tetanus, infantile paralysis, meningitis, scarlet fever, undulant fever, rabies, malaria fever and amoebic dysentery, in case the employe will definitely have been exposed to, or will have contracted, the disease and if such use will constitute accepted therapy or prophylaxis.

7. FIRST-AID SUPPLIES: First-aid supplies for the use of employes in illness and non-occupational accident cases will be procured and delivered by O. P. S. to the Employer and will be maintained during the life of this contract at such places as will be indicated by the Employer and approved by O. P. S. All unused supplies shall be returned to O. P. S. at the termination of this contract. If requested, O. P. S. will procure first-aid supplies for industrial accidents at the expense of, and by prearrangement with, the agency responsible for industrial medical aid.

8. HOSPITAL SERVICES: O. P. S. will bear the expense of hospital services and accommodations, when required for the treatment of the employes, in general hospitals approved by O. P. S., and as will be authorized by O. P. S.

Such hospital services will include ward accommodations, board, services of an hospital staff nurse, use of surgery, X-ray, laboratory service, and medical and surgical attendance, to the extent hereinafter provided. Private rooms will be procured in cases of serious nature, which in the judgment of the attending physicians or surgeons cooperating with O. P. S. require quiet surroundings and special care. Should the injured or ill employe not require special services, but desire a private room in such hospital, O. P. S. will pay such part of the cost of such private room as O. P. S. would be required to pay for ward service during the same period of time. O. P. S. shall not be liable to the Employer, or any employe, or any other person, for its inability or failure to procure hospital ward accommodations or other hospital accommodations or other services or accommodations by reason of epidemic, disaster or other cause or condition beyond the control of O. P. S.

9. AMBULANCE SERVICE: O. P. S. will procure, when necessary, ambulance service, or other appropriate transportation, for conveying the seriously ill or injured employe to the nearest general hospital approved by O. P. S., for hospital service in the event that ordinary transportation shall not be appropriate.

10. SPECIAL NURSING: Special nursing services will be procured by O. P. S. for a serious, hospitalized case when, in the judgment of the attending physician or surgeon cooperating with O. P. S., special nursing services will be required.

3751 11. X-RAY SERVICE: X-ray service will be procured by O. P. S. in case of suspected fracture, and in other injury or medical cases, when use of X-ray shall be deemed advisable by the attending physician or surgeon cooperating with O. P. S.

12. PHYSICAL-THERAPY: Physical-therapy will be procured by O. P. S. when, in the judgment of the attending physician or surgeon cooperating with O. P. S., such treatment shall be indicated.

13. PHYSICAL EXAMINATIONS: Subject to the further provisions of this contract, an examination of the entire body, including the heart, lungs, blood pressure, hemoglobin blood test and analysis of the urine will be made by a physician cooperating with O. P. S., upon request of the employes, whenever such an examination will not have been

made within the preceding period of twelve months. Wasserman tests, blood counts, fluoroscopic and X-ray examinations will not be included in such examination; unless such examining physician shall find specific necessity therefor and shall first obtain authorization therefor from O. P. S. Examination requiring certification will not be procured. No examination will be procured within the period of the first six months of the employe's coverage by O. P. S., except as provided in Section 17 (c) of this contract.

14. Refractions: Eye examinations and testing for eye glasses will be procured of eye specialists cooperating with O. P. S., provided that the employe will have had O. P. S. coverage continuously for three, or more, months before the occasion therefor shall arise, unless such service shall be necessary in the treatment of an acute illness or injury. Eye glasses will not be procured by O. P. S.

15. Prophylactic Measures: O. P. S. will procure such prophylactic measures as may reasonably be necessary in preventing the spread of disease among employes of the Employer. This service shall include cooperation with the State Board of Health in the analysis of drinking water and general sanitation work.

16. Welfare Department: O. P. S. will maintain a welfare department through which it will report to the Employer the condition and progress of patients under its coverage, as requested by the Employer, and O. P. S. will report on such other matters as in its judgment are of special interest to the Employer, including matters which may in any manner affect claims for Workmen's Compensation and those affecting the general welfare of the employes of the Employer.

17. Medical, Surgical and Hospital Coverage: This contract includes within its operation, and covers, and O. P. S. will procure, subject to the provisions of this contract, hospital, medical and surgical treatment, and other services, in the following cases:

(a) Accidental injury sustained by an employe during the term of his coverage, except that resulting from an industrial accident;

(b) Acute illness suffered by an employe during the term of his coverage, except acute illness symptomatic,

diagnosed and being treated, or symptomatic, or diagnosed or being treated, at the time when the employe will first become entitled to the benefits of this contract.

(c) Chronic illness arising in an employe who will have become entitled to the benefits of this contract on the date on which this contract will first become effective as to other employes of the Employer, except that during the first six months of such employe's coverage under this contract, benefits shall be limited to the acute phase of such chronic illness. Chronic illness arising in an employe who will have become entitled to the benefits of this contract after the date on which this contract will first become effective as to other employes of the Employer, except that such chronic illness as will have become active or will have manifested itself during such employe's first
3752 six months of coverage under this contract, will not be covered nor be subject to the benefits of this contract. For the purpose of this subsection (17, (c)) credif will be given to employes of the Employer for periods of coverage under other O. P. S. Full Coverage Medical and Hospital Service Agreements, and for periods of coverage under like, or substantially similar, medical and hospital service agreements of other medical contractors, provided that such periods of coverage by O. P. S. or other medical contractors will immediately have preceded such employe's coverage by this contract. A chronic illness originating, or diagnosed or treated, or becoming symptomatic, prior to the time when an employe of the Employer will have first become entitled to the benefits of O. P. S. Full Coverage Medical Service, or like benefits under a like, or substantially similar, and immediately preceding, service of another medical contractor, is not covered by this contract. A "chronic illness", as used herein, hereby is defined to be an ailment of prolonged duration characterized by slowly progressing symptoms, as differentiated from an "acute illness", which hereby is defined to be an ailment of recent origin progressing speedily to a crisis and requiring immediate medical and surgical care, or immediate medical or surgical care. A "chronic illness" shall specifically include, without being limited to, such conditions as goiter, stomach

ulcers, gall stones, kidney stones, traumatic deviated septums, sinus conditions, hernia, cancer (including treatment by radium), heart diseases, tuberculosis, neoplasms, chronic appendicitis, diseases of the prostate gland and diseases of the female reproductive organs.

18. EXCLUSIONS AND LIMITATIONS:

(a) The benefits of this contract do not apply to any of the following: Neither industrial accidents, nor injuries nor diseases falling within the provisions of any industrial insurance or Workmen's Compensation Law or contract (whether the employe or the Employer will have elected to accept, or to reject, the benefits of such law or contract) to which the employe is, or could be, eligible, nor insanity, mental disorders, pregnancy nor childbirth, nor any result of any thereof, nor venereal diseases, alcoholism, drug addiction, pyorrhea, deformities, congenital physical defects, attempts at suicide, injuries resulting from professional competitive sports, nor any result of any thereof, nor injuries nor illnesses, sustained in, or resulting from, the employe's commission of a crime, nor any condition excluded by any other provision of this contract, nor any condition which will be active, symptomatic, diagnosed, or under treatment, at or before the time when the employe will become entitled to the benefits of this contract (except as stipulated in the provisions in such respect of Section 17 of this contract), nor injuries occurring to the employe prior to his becoming entitled to the benefits of this contract, nor injury resulting from an act of personal violence in which the injured employe will have been the aggressor, nor injury nor illness sustained by the employe as a result of his use of intoxicating liquor, drug or narcotic if the use of such intoxicating liquor, drug or narcotic will have been a primary cause of such injury or illness.

(b) O. P. S. shall not be required to procure hospital, nursing or ambulance services for diseases, or results thereof, subject to quarantine, but O. P. S. will procure physicians' services in such cases when necessary.

3753 (c) All benefits provided for by this contract are, and will be, limited to one year from the date of first treatment of any specific condition involved, resulting from a separate and distinct cause. The procurement of hospital care is, and will be, limited to six months, except that in a case involving a cerebral condition, tuberculosis, malignant neoplasms or cardiovascular renal disease the period of hospital service is, and will be, limited to three months. O. P. S.' responsibility for procuring hospital and sanitarium care, or hospital or sanitarium care, for a tuberculosis case is, and will be, limited to a cost not greater than that prevailing in a case receiving three months of care at the Oregon State Tuberculosis Hospital. The procurement of a private room is, and will be, limited to thirty days in any one case. The period of thirty days provided herein for private room accommodation shall be deemed part of the total hospital and sanitarium care, or hospital or sanitarium care, provided for herein. Special nursing care is, and will be, limited to thirty days' service in any one case.

(d) Materials for allergy treatment will not be procured. O. P. S. will procure such services of a physician or surgeon cooperating with O. P. S. as will be required for the performance of necessary blood transfusions, and the cost of procuring blood, if it be provided by professional donors, will be borne by O. P. S.

(e) Professional services and necessary hospitalization will be furnished for the removal of tonsils, provided that membership has been continuous for six (6), or more, months.

(f) The benefits of this contract do not apply to any injury resulting from employment, or any result thereof, it being understood that the medical, surgical, hospital and other care for such cases are, and will be procured (if procured) under the supervision and control, and at the expense, of the State Industrial Accident Commission, or other insurance carrier, or the Employer, or others, and not O. P. S.

(g) The benefits of this contract do not apply to any injury or illness of any employe caused by the negligence or wrongful act of any other person, except to

the extent that if an employe entitled to the benefits of this contract shall be injured, or shall suffer illness, because of the wrongful act or negligence of any other person and thereafter shall make all reasonable efforts to recover from such other person and anyone responsible or answerable for such other person's negligence or wrongful act, O. P. S. will procure for such employe the benefits of this contract which cannot be made available out of funds reasonably recoverable from, or through, such other person. Such funds shall be deemed not reasonably recoverable from, or through, such other person if it shall reasonably appear that should an action therefor be prosecuted, and judgment therefor be obtained, against such other person and anyone responsible or answerable for such other person's negligence or wrongful act, execution on such judgment would be unavailing.

(h) In order to make it financially possible for O. P. S. to procure the services stipulated in this contract, employes requiring hospital care, surgical operations or medical services for any of the conditions covered by this contract shall be entitled thereto only in hospitals approved by O. P. S. for rendering such services, and by physicians, surgeons and specialists cooperating with O. P. S. (who, for convenience, are described in this contract as "cooperating" physicians, surgeons or specialists) for this purpose, except as provided otherwise for emergency services.

3754 (i) No benefit, right or interest of either the Employer or any employe under this contract can be assigned or transferred, and any such attempted assignment or transfer shall be invalid and void.

19. Arbitration Provisions: Should O. P. S., either upon, or without, the advice of an attending physician or surgeon cooperating with O. P. S., at any time determine that any employe of the Employer, is not, or will not be, entitled to the treatment, or any treatment, herein stipulated, and that such employe's case is of a class excluded, or partially excluded, from the benefits of this contract, then, and in that event, either the Employer or the employe shall have the right to employ a competent practising medical physician or surgeon, duly licensed to practise in the State of Oregon, to examine such employe for the purpose of advis-

ing such employe whether such determination made by O. P. S. is correct. If such consulting physician or surgeon and O. P. S. shall be unable to agree in such respect, then in that event, O. P. S. and the Employer shall select another competent, practising medical physician or surgeon, duly licensed to practise in the State of Oregon, as arbiter to decide whether such determination made by O. P. S. is correct. Such decision of such arbiter shall, when made, be final. If such decision shall be contrary to such determination made by O. P. S., then O. P. S. shall pay a reasonable fee to such consulting physician or surgeon and also a reasonable fee to such arbiter for their respective services in such matter. If such decision made by such arbiter shall substantially coincide with such determination made by O. P. S., then, in that event, such employe shall pay such fees of such consulting physician or surgeon and such arbiter, respectively.

20. PAYROLL DEDUCTIONS AND PAYMENTS: In consideration of the promises and undertakings hereinbefore set forth to be kept and performed by O. P. S., the Employer hereby promises and agrees to pay to O. P. S. on or before the fifteenth day of each and every month during the life of this contract the following amounts of money (sometimes in this contract called "dues"):

(a) Three dollars ($3.00) for each employe covered by this contract who will have commenced his employment on or before the fifteenth day of the preceding calendar month and who will have been employed for four, or more, days in such month.

(b) One dollar and fifty cents ($1.50) for each employe covered by this contract who will have commenced his employment after the fifteenth day of the preceding calendar month and who will have been employed for four, or more, days in such month.

(c) Ten cents ($.10) each day for each employe covered by this contract who will have been employed for three days, or less, in the preceding calendar month, but such employe shall be entitled to the benefits of this contract only with respect to acute illness or injury originating within such period of three days, or less, of employment.

(d) The Employer shall not be required to pay to O. P. S. dues for the current month for any employe who,

upon entering the employment of the Employer, shall hold a receipt entitling him to medical, surgical and hospital accommodations procured by any medical service organization engaged in such business in Oregon or Washington. This exemption from payment of dues shall apply only to the month in which such employe will have commenced his employment with the Employer. O. P. S. shall not be required to procure any of the services stipulated in this contract for any accidental injury sustained by such employe or for any illness suffered by such employe during the period for which the Employer is exempted from paying dues, it being intended that in the event of such injury or illness such employe shall look to such medical service organization which will have issued such receipt to him, for such services.

3755 (e) In case any employe for whom the Employer will have paid to O. P. S. the dues for the next succeeding calendar month, or a next succeeding period of days, or for whom the Employer will have deducted such amount from the wages payable to such employe for such payment thereof, shall leave the employment of the Employer before such calendar month, or other period, will have expired, such employe shall, nevertheless, be entitled to receive all such benefits provided by this contract as he would have been entitled to receive if he had not left such employment, with respect to injury or illness which may occur to such employe during such calendar month, or other period, for which such dues thus will have been paid.

(f) An employe temporarily away from his work, because of seasonal plant shut-down or plant shut-down due to labor dispute, may, at his option, preserve his coverage by this contract by applying individually therefor to O. P. S. within ten days after the date of such plant shut-down and making arrangements satisfactory to O. P. S. for payment of his dues. Arrangements may be made, with the approval of O. P. S. and the Employer, among employes to continue their coverage by this contract by arranging for salary deductions of dues upon their return to work for the period during which coverage by this contract will have been continued. Such cov-

erage, however, shall not continue longer than two months without the actual payment of dues monthly in advance.

(g) The Employer promises and agrees that O. P. S. may, at reasonable times, examine the payroll of the Employer for the purpose of auditing it with respect to dues agreed to be paid to O. P. S. by the Employer.

21. WARRANTY OF SERVICE-FULFILLMENT: O. P. S. shall render a warranty of service-fulfillment in keeping with the provisions of this contract in the event that the employes of the Employer will, immediately prior to the effective date of this contract, have been entitled to the benefits of a like, or substantially similar, medical and hospital service contract issued by another medical contractor. In such event, such warranty of service-fulfillment shall be executed by O. P. S. and shall be affixed to this contract.

22. REJECTION BY EMPLOYE: In accordance with Chapter 344, Oregon Laws, 1941, as amended by Chapter 298, Oregon Laws, 1945, any employe may reject the coverage of this contract at the time when this contract is executed or at the time of his employment if entering such employment after the date of the execution of this contract, by giving written notice to the Employer of his desire so to do, or, having been under the coverage of this contract, by giving such notice in writing not less than thirty days in advance of its anniversary date. The Employer shall not retain any part of the wages of any employe who will have filed such notice of rejection, and such employe shall not be entitled to any of the benefits of this contract; provided, that any employe who will have filed such notice of rejection shall, by withdrawing his rejection and subject to acceptance by O. P. S. have the right to come under the coverage of this contract at a future date to be agreed upon with O. P. S.

23. TERM AND TERMINATION: This contract shall remain in full force and effect from the ..... day of ....., 19...., to the thirty-first day of December, 19...., or for such part of such period as the parties hereto (including the employes) shall perform and observe their respective obligations under this contract, and this contract can be cancelled and terminated, without liability therefor, by either the Employer or O. P. S. by his or its giving thirty (30)

days' notice in writing to the other of them of such termination in the event of the making of breach or default by such other with respect to its or his obligations under this contract. In the event that payment of dues shall not be received by O. P. S. from the Employer punctually in accordance with Section 20 of this contract, time being
3756 of the essence hereof, O. P. S. shall have the right to cancel and terminate this contract, without liability therefor, at any time by giving fifteen (15) days' notice in writing of such cancellation to the Employer.

24. RENEWAL: The term of this contract will expire on said thirty-first day of December of said year last above mentioned. However, unless either O. P. S. or the Employer shall give to the other of them, at least thirty (30) days prior to said last-above-mentioned date, written notice of its or his election that this contract shall not be renewed on said date, this contract shall be deemed renewed on said date, with like effect, to all intents and purposes, as if re-executed on said date by O. P. S. and the Employer, to continue in full force and effect for the next succeeding calendar year and likewise annually thereafter shall be deemed to be renewed and to continue in full force and effect from year to year, unless and until at least thirty (30) days prior to the expiration of any calendar year either O. P. S. or the Employer shall give to the other of them written notice of its or his election not so to renew this contract.

25. REVISION: O. P. S. shall have the right at any time to modify the benefits, and to adjust the consideration, or to modify the benefits, or to adjust the consideration, of this contract, consistent with changing conditions, and such revision may be made effective on the first day of any month by the giving by O. P. S. of written notice of such revision to the Employer at least forty-five (45) days prior to the effective date of such revision which will be stated in such notice. In such event, the Employer shall have the privilege of terminating this contract on the first day of the month in which such revision will become effective by giving written notice of such termination to O. P. S. at least fifteen (15) days prior to such first day of such month.

IN WITNESS WHEREOF, O. P. S. and the Employer have caused this contract to be executed (in duplicate) on the date hereinabove first written by their respective, under-

signed officers, pursuant to due authorization so to do heretofore granted to such officers, respectively.

..... OREGON PHYSICIANS' SERVICE

EMPLOYER

By .....
Manager

By .....

Title .....

3757 OREGON PHYSICIANS' SERVICE

Supplemental
Group Family Hospitalization Agreement

This Supplemental Agreement, made and entered into this ..... day of ....., 19...., by and between Oregon Physicians' Service, hereinafter called O. P. S., and ....., hereinafter called the Employer, shall constitute a rider to the group employe medical and hospital service agreement dated ....., 19.... and currently in effect, or hereafter to be in effect, between O. P. S. and the Employer.

WITNESSETH: That O. P. S., for and in consideration of the sum or sums of money paid to it by the Employer, within the time or times hereinafter mentioned, hereby agrees to make available to all family members (not otherwise subject to O. P. S. coverage) of each employe, who is covered under the original group employe contract and who subscribes for coverage for his family members on the basis stipulated herein, from time to time during the life of this supplemental agreement, as occasion demands, and/or bear the expense thereof to the extent hereinafter stipulated, hospital services including ward room care, meals and dietary services, general nursing care, use of operating rooms, X-ray service and other benefits as stated hereinafter.

I. *Hospital Care for Family Members* shall include the following services:

a. Care in a room of three or more beds.

b. Meals and dietary services.

c. General nursing care.

d. Use of operating rooms.

e. Delivery room service in maternity cases.

f. Anesthesia.

g. Surgical and anesthetic supplies.

h. Routine splints, casts and dressings.

i. Routine laboratory examinations.

j. Diagnostic X-ray service for patients confined in hospitals.

k. Electrocardiograms and basal metabolism tests.

l. Drugs and medications in hospitalized cases but not in excess of five dollars ($5.00) per hospital admission.

m. Maternity care up to sixty dollars ($60.00).

n. Hospital emergency room care for accidental injuries.

II. *Service Prerequisites and Limitations.*

a. All stipulated services shall be furnished to a family member only when said member is a duly registered bed patient in an approved general hospital and is under the care of a listed cooperating O. P. S. physician, surgeon or consulting specialist.

3758 b. It shall be the duty of the family member to notify promptly the hospital and the cooperating O. P. S. physician that he is an O. P. S. family member, and failure to select an O. P. S. cooperating physician or to notify either the hospital or physician concerning membership in O. P. S. shall be deemed conclusively to be a waiver of all benefits hereunder.

c. The obligation of O. P. S. to provide hospital care, as defined above, is limited to a period not to exceed twenty-one (21) days for each particular physical disability arising from a separate and distinct cause. Hospital care will be provided only while a family member is necessarily confined to a hospital as a registered bed patient for the treatment of a coverable condition under the care of an O. P. S. cooperating physician. Hospitalization shall not be furnished hereunder for a rest cure or for the purpose of diagnosis only.

d. In conditions necessitating hospitalization beyond twenty-one (21) days, O. P. S. will pay or reimburse the costs of hospital care as defined above in an amount not to exceed fifty (50) percent of such costs for a maximum period of not to exceed ninety (90) days immediately following said twenty-one (21) days period.

e. Family members traveling or temporarily outside of the State of Oregon are entitled to reimbursement for the expenses of coverable hospital care obtained outside of the State of Oregon up to a maximum of six ($6.00) dollars per day for a period not to exceed twenty-one (21) days in any coverable case. Services hereunder are limited to the Continental United States. In the event that coverable services stipulated hereunder should be obtained by a family member from any Oregon hospital which may require payment therefor direct from the patient involved, then, and in that event, O. P. S. shall be responsible for reimbursement for such service costs only up to a maximum of six ($6.00) dollars per day for a period not to exceed twenty-one (21) days for any coverable case.

f. O. P. S. will defray the costs of Hospital Emergency Room charges for treatment of accidental injuries provided the use of emergency room occurs within twenty-four (24) hours following the time of accident.

g. O. P. S. will provide hospital care for childbirth to the extent stipulated under the following conditions:

(1) The member must be in a dues-paying two or more person family (including the employe group member) or must be an employe member under the original employe group agreement, and

(2) The maximum service to be provided by O. P. S. shall not exceed sixty ($60.00) dollars in cost in any twelve months' period, and

(3) The member requiring such services must have been a member in good standing for at least ten (10) consecutive months immediately preceding her need for such hospital care.

h. O. P. S. shall not be responsible or liable to any member if hospitalization is unavailable as a result of

epidemic, public disaster or other causes or conditions beyond its control.

i. The following services are expressly excluded and O. P. S. shall bear no liability concerning such services.

(1) Services for injuries or diseases for which the member is entitled to receive disability benefits or compensation or care under any Workmen's Compensation or Employers' Liability Law.

(2) Extraction of teeth or other services incident to the treatment of diseases and injuries of the jaw and its dependent tissues which customarily are performed by dentists.

(3) Services for preexisting conditions, quarantinable diseases, tuberculosis, insanity, acute or chronic alcoholism, use of drugs or narcotics, venereal diseases, deformities, congenital physical defects, attempts at suicide and conditions resulting from criminal acts.

j. The expressed written opinion of any O. P. S. cooperating physician attending any particular case shall be final with reference to the necessity for services stipulated herein for such case and also with reference to the status of such case regarding diagnosis, treatment or preexistence. However, O. P. S. reserves the right, at its option, to utilize the services of one or more specialists in the determination of the status of any case.

k. Service rights or benefits stipulated hereunder are not transferable from a member to any other person.

l. In the event that a family member should desire to utilize hospital room service of a higher cost classification than that provided hereinabove, O. P. S. will bear the cost thereof up to the room service level provided hereinabove.

m. In the event of personal injury to any family member subject to care under this supplemental agreement resulting from acts or omissions for which third parties are legally liable, O. P. S. shall be subrogated to the rights of the injured family member to the reasonable value of the services it has provided for the injured family member.

n. Twenty-four hours hospitalization within the general limitations stipulated herein will be furnished for the removal of tonsils and/or adenoids for any family member provided such member has been covered continuously hereunder for at least twelve (12) consecutive months immediately preceding the need for such service.

III. *Payroll Deductions and Payments for Subscribing Family Members.* In consideration of the agreements hereinabove set forth, to be kept and performed by O. P. S. the Employer agrees to arrange payroll deductions from the salaries of employe group members who elect to have their families participate hereunder and to pay O. P. S. for the coverage of such participating family member, on or before the fifteenth day of each and every month hereafter during the time this supplemental agreement shall remain in effect, as follows:

a. Ninety Cents ($.90) per calendar month for each participating spouse (not otherwise subject to O. P. S. coverage) of an employe-group member.

b. Sixty Cents ($.60) per calendar month for the first participating unmarried child of an employe-group member.

c. No additional charge for additional children, if any, in excess of one (1).

d. Any spouse eligible for coverage hereunder may participate up to the age of sixty-five (65) years.

e. Any unmarried child eligible for coverage hereunder may participate providing the age of such child is not less than thirty (30) days or more than eighteen (18) years. Upon reaching the age of nineteen (19) years, or upon becoming married at a younger age, any previously participating child may apply for continuance of coverage in accordance with the regulations established by O. P. S.

3760 f. Coverage hereunder and payments of premiums therefor, shall apply only to the immediate family of the group employe member who subscribes for this family service. Such immediate family shall include the spouse and unmarried children not less than thirty (30) days or more than eighteen (18) years of age. Only the entire immediate family as a unit,

including all eligible members, shall be subject to coverage hereunder.

IV. *Effective Period and Termination Provisions.* It is understood and agreed by and between the parties hereto that this supplemental agreement shall remain in full force and effect from the ..... day of ....., 19 .....; to the thirty-first day of December, 19 ....., or for such part of said period as the parties hereto shall perform the duties herein provided for, and that this agreement may be terminated or rescinded by either party by rendering thirty (30) days notice in writing to the opposite party that the supplemental agreement herein contained is being violated. In the event that payments are not received from the Employer in accordance with Section 3 hereof, O. P. S. shall have the right to cancel this supplemental agreement at any time by rendering fifteen (15) days' notice in writing of such cancellation.

It is further agreed that this supplemental agreement may be terminated in accordance with the provisions stipulated herein entirely independently from the original group employe agreement and that termination of this supplemental agreement shall not be construed as cancellation or termination of the original group employe agreement. However, cancellation or termination of the original group employe agreement in accordance with the terms thereof shall be construed expressly as concurrent cancellation or termination of this supplemental agreement.

In the interests of making this contract service as satisfactory as possible for subscribing family members at all times and of insuring the continued stability of the coverage plan from the cost standpoint, it is further agreed that O. P. S. shall have the right to change or amend any of the benefits and/or premium rates provided herein to be effective as of the first day of any month by rendering written notice to the Employer concerning such revisions at least forty-five (45) days prior to the effective date of such revisions. However, in such an event the Employer shall have the privilege of terminating this supplemental agreement effective on the first of the month date of proposed change by sending written notice of such termination to O. P. S. at least fifteen (15) days prior to such date.

While by its terms this supplemental agreement expires on the thirty-first day of December, 19 ....., it is agreed that unless one party to this supplemental agreement gives

to the other, at least fifteen days before the expiration of said period, written notice of its election that the supplemental agreement shall terminate at the said time, it will continue in full force and effect for the succeeding calendar year and thereafter will continue in full force and effect from year to year unless at least fifteen days prior to the expiration of any calendar year one party shall give to the other written notice of its election so to terminate.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed, in duplicate, by their respective officers, pursuant to authority heretofore granted, as of the date first hereinabove written.

..... OREGON PHYSICIANS' SERVICE
Employer

By ..... By .....
Title General-Division Manager

3761 OREGON PHYSICIANS' SERVICE

Supplemental Group Family Surgical, Limited Medical, Obstetrical and Hospital Service Agreement

This supplemental agreement, made and entered into this ..... day of ....., 19....., by and between Oregon Physicians' Service, hereinafter called O. P. S., and ....., hereinafter called the Employer, shall constitute a rider to the group employe Medical and Hospital Service Agreement dated ....., 19..... and currently in effect, or hereafter to be in effect, between O. P. S. and the Employer.

WITNESSETH: That O. P. S. for and in consideration of the sum or sums of money paid to it by the Employer, within the time or times hereinafter mentioned, hereby agrees to make available to all family members (not otherwise subject to O. P. S. coverage) of each employe, who is covered under the original group employe contract and who subscribes for coverage for his family members on the basis stipulated herein from time to time during the life of this supplemental agreement, as occasion demands, and/or bear the expense thereof to the extent hereinafter stipulated, surgical services, medical services for hospital-

ized cases, treatment of fractures and dislocations, obstetrical care, services by specialists, hospital services in ward rooms, meals and dietary services in hospitals, general nursing care in hospital cases, use of hospital operating rooms and other benefits as stated hereinafter.

I. *Surgical, limited medical and obstetrical care for family members shall include the following services*:

a. *Surgical service for major and minor operations* involving cutting or incision, performed in or out of a hospital, shall be provided for the treatment of coverable illness or injury.

b. *Medical service for cases requiring hospitalization* shall be provided for the treatment of coverable illness or injury during the period of coverable hospitalization.

c. *Treatment of fractures and dislocations,* including X-rays in fracture and dislocation cases, shall be furnished at a physician's office or at a hospital.

d. *O. P. S. shall defray the cost of pre-natal, post-natal and obstetrical service* rendered by a cooperating staff physician up to a maximum of fifty dollars ($50.00) in any coverable case. Such payment is intended as an "allowance" in the event that the total cost of professional pre-natal, post-natal and obstetrical services should exceed the above stipulated amount in any such case.

e. *The surgical and consultation services of O. P. S. cooperating staff specialists* will be provided for any coverable case upon the recommendation of any attending staff physician and surgeon or by arrangement with O. P. S. Services of staff eye, ear, nose and throat specialists will be furnished when needed for coverable care of the eye, ear, nose or throat. O. P. S. shall bear no liability with reference to travel or non-hospital subsistence expense involved in any case requiring services by specialists.

II. *Hospital Care for family members shall include the following services*:

a. Care in a room of three or more beds.

b. Meals and dietary services.

3762 c. General nursing care.

d. Use of operating rooms.

e. Delivery room service in maternity cases.

f. Anesthesia.

g. Surgical and anesthetic supplies.

h. Routine splints, casts and dressings.

i. Routine laboratory examinations in hospitalized cases up to but not in excess of ten dollars ($10.00) per hospital admission.

j. Diagnostic X-ray service for family members confined in hospitals.

k. Electrocardiograms and basal metabolism tests.

l. Drugs and medications in hospitalized cases up to but not in excess of ten dollars ($10.00) per hospital admission.

m. Maternity care up to sixty dollars ($60.00).

n. Hospital emergency room care for accidental injuries.

III. *Service Prerequisites and Limitations.*

a. In cases which require hospital care all stipulated services shall be furnished to a family member only when said member is a duly registered bed patient in an approved general hospital and is under the care of a listed cooperating O. P. S. physician, surgeon or consulting specialist. In coverable cases which do not require hospital care all stipulated services shall be furnished to a family member only when said member is under the care of a listed cooperating O. P. S. physician, surgeon or consulting specialist.

b. In any case requiring hospitalization hereunder it shall be the duty of the family member to notify promptly the hospital and the attending O. P. S. staff physician that he is an O. P. S. family member, and failure to select an O. P. S. cooperating physician or to notify either the hospital or physician concerning membership in O. P. S. shall be deemed conclusively to be a waiver of all benefits hereunder.

In any coverable case which does not require hospitalization it shall be the duty of the family member to notify promptly the attending O. P. S. staff physician that he is an O. P. S. family member and failure to select an O. P. S. cooperating physician or to notify the attending physician concerning membership in O. P. S. shall be deemed conclusively to be a waiver of all benefits hereunder.

c. The obligation of O. P. S. to provide any of the hereinabove listed services from physicians, surgeons or consulting specialists for any coverable case of surgery, fracture or dislocation shall be limited to a period not to exceed six (6) months immediately following the date of original diagnosis of any such case, and this limitation shall apply to any one coverable condition arising from a separate and distinct cause and shall include any and all related complications of such condition. The rendering of medical services hereunder for any other type of coverable case shall be limited to coverable periods of hospitalization, excepting as otherwise provided herein for obstetrical care.

3763 The obligation of O. P. S. to provide hospital care, as defined hereinabove, is limited to a period not to exceed twenty-one (21) days for each particular physical disability arising from a separate and distinct cause. Hospital care will be provided only while a family member is necessarily confined to a hospital as a registered bed patient for the treatment of a coverable condition under the care of an O. P. S. cooperating physician. Hospitalization shall not be furnished hereunder for a rest cure or for the purpose of diagnosis only.

d. In conditions necessitating hospitalization beyond twenty-one (21) days, O. P. S. will pay or reimburse the costs of hospital care as defined above in an amount not to exceed fifty (50) percent of such costs for a maximum period of not to exceed ninety (90) days immediately following said twenty-one (21) day period.

e. Family members traveling or temporarily outside of the State of Oregon are entitled to reimbursement for the expenses of coverable hospital care obtained outside of the State of Oregon up to a maximum of

six dollars ($6.00) per day for a period not to exceed twenty-one (21) days in any coverable case. O. P. S. liability for emergency professional services coverable hereunder and obtained outside of the State of Oregon (other than hospital services) shall not exceed fifty dollars ($50.00) for any coverable case. Services hereunder are limited to the continent of North America.

In the event that coverable services stipulated hereunder should be obtained by a family member from any Oregon hospital which may require payment therefor direct from the patient involved, then, and in that event, O. P. S. shall be responsible for reimbursement for such service costs only up to a maximum of six dollars ($6.00) per day for a period not to exceed twenty-one (21) days for any coverable case.

f. In addition to services specifically provided elsewhere herein, for certain cases, O. P. S. will defray the cost of hospital emergency room charges for the treatment of accidental injuries, provided the use of emergency room service occurs within twenty-four (24) hours following the time of accident.

g. O. P. S. will defray the cost of pre-natal, post-natal and obstetrical professional service rendered by cooperating staff physicians, to the extent hereinabove specified in paragraph I (d), and will provide hospital care for childbirth to the extent stipulated in paragraph II (m), under the following conditions:

(1) The member must be in a dues-paying two or more person family (including the employe group member) or must be an employe-member under the original employe agreement, and

(2) The maximum liability for professional service to be provided by O. P. S. shall not exceed fifty dollars ($50.00) in cost in any twelve months' period, and

(3) The maximum hospital service to be provided by O. P. S. shall not exceed sixty dollars ($60.00) in cost in any twelve months' period, and

(4) The member requiring such services must have been a member in good standing for at least ten

(10) consecutive months immediately preceding her need for such professional and/or hospital care.

3764 h. O. P. S. shall not be responsible or liable to any member if hospitalization is unavailable as a result of epidemic, public disaster or other causes or conditions beyond its control.

i. The following services are expressly excluded and O. P. S. shall bear no liability concerning such services:

(1) Services for injuries or diseases for which the member is entitled to receive disability benefits or compensation or care or rights of action under any Workmen's Compensation or Employers' Liability Law.

(2) Extraction of teeth or other services incident to the treatment of diseases and injuries of the jaw and its dependent tissues which customarily are performed by dentists.

(3) Services for preexisting conditions, conditions resulting from childbirth not coverable under this contract, quarantinable diseases, tuberculosis, insanity, acute or chronic alcoholism, use of drugs or narcotics, venereal diseases, deformities, congenital physical defects, attempts at suicide and conditions resulting from criminal acts.

j. The expressed written opinion of any O. P. S. cooperating physician attending any particular case shall be final with reference to the necessity for services stipulated hereunder for such case and also with reference to the status of such case regarding diagnosis, treatment or preexistence. However, O. P. S. reserves the right, at its option, to utilize the services of one or more specialists in the determination of the status of any case.

k. Service rights or benefits stipulated hereunder are not transferable from any member to any other person.

l. In the event that a family member should desire to utilize hospital room service of a higher cost classi-

fication than that provided hereinabove, O. P. S. will bear the cost thereof up to the service level provided hereinabove.

m. The benefits of this contract do not apply to any injury or illness of any family member caused by the negligence or wrongful act of any other person, except to the extent that if a family member entitled to the benefits of this contract shall be injured, or shall suffer illness, because of the wrongful act or negligence of any other person and thereafter shall make all reasonable efforts to recover from such other person and anyone responsible or answerable for such other person's negligence or wrongful act, O. P. S. will procure for such family member the benefits of this contract which cannot be made available out of funds reasonably recoverable from, or through, such other person. Such funds shall be deemed not reasonably recoverable from, or through, such other person if it shall reasonably appear that should an action therefor be prosecuted, and judgment therefor be obtained, against such other person and anyone responsible or answerable for such other person's negligence or wrongful act, execution on such judgment would be unavailing.

n. Professional services of cooperating physicians and surgeons and twenty-four (24) hours hospitalization within the general limitations stipulated herein will be furnished for the removal of tonsils and/or adenoids for any family member provided such member has been covered continuously hereunder for at least twelve (12) consecutive months immediately preceding the need for such service.

3765 IV. *Payroll deductions and payments for subscribing family members.*

In consideration of the agreements hereinabove set forth, to be kept and performed by O. P. S. the Employer agrees to arrange payroll deductions from the salaries of employee-group members who elect to have their families participate hereunder and to pay O. P. S. for the coverage of such participating family members on or before the fifteenth day of each and every month hereafter during the time this supplemental agreement shall remain in effect, as follows:

a. Two dollars ($2.00) per calendar month for each participating spouse (not otherwise subject to O. P. S. coverage) of an employe-group member.

b. One dollar and thirty-five cents ($1.35) per calendar month for the first participating child of an employe-group member.

c. Seventy-five cents ($.75) per calendar month for the second participating child of an employe-group member.

d. Fifty cents ($.50) per calendar month for the third participating child of an employe-group member.

e. No additional charge for additional children, if any, in excess of three.

f. Any spouse eligible for coverage hereunder may enroll up to the age of sixty-five (65) years.

g. Any unmarried child eligible for coverage hereunder may participate providing the age of such child is not less than thirty (30) days or more than eighteen (18) years. Upon reaching the age of nineteen (19) years, or upon becoming married at a younger age, any previously participating child may apply for continuance of coverage in accordance with the regulations established by O. P. S.

h. Coverage hereunder, and payments of premiums therefor, shall apply only to the immediate family of the group-employe member who subscribes for this family service. Such immediate family shall include the spouse and unmarried children not less than thirty (30) days or more than eighteen (18) years of age. Only the entire immediate family as a unit, including all eligible members, shall be subject to coverage hereunder.

V. *Effective period and termination provisions.*

It is understood and agreed by and between the parties hereto that this supplemental agreement shall remain in full force and effect from the ..... day of ....., 19...., to the thirty-first day of December 19...., or for such part of said period as the parties hereto shall perform the duties herein provided for, and that this agreement may be terminated or rescinded by either party by rendering thirty days advance notice in writing to the opposite party

that the supplemental agreement herein contained is being violated. In the event that payment shall not be received from the Employer in accordance with Section IV hereof, O. P. S. shall have the right to cancel this supplemental agreement at any time by rendering fifteen days advance notice in writing of such cancellation.

It is further agreed that this supplemental agreement may be terminated in accordance with the provisions stipulated herein entirely independently from the original group-employee agreement and that the termination of this supplemental agreement shall not be construed as cancellation or termination of the original group-employe agreement. However, cancellation or termination of the original group-employe agreement in accordance with the terms thereof shall be construed expressly as concurrent cancellation or termination of this supplemental agreement.

3766 In the interests of making this contract service as satisfactory as possible for subscribing family members at all times and of insuring the continued stability of the coverage plan from the cost standpoint, it is further agreed that O. P. S. shall have the right to change or amend any of the benefits and/or premium rates provided herein to be effective as of the first day of any month by rendering written notice to the Employer concerning such revisions at least forty-five (45) days prior to the effective date of such revision. However, in such an event the Employer shall have the privilege of terminating this supplemental agreement effective on the first of the month date of proposed change by sending written notice of such termination to O. P. S. at least fifteen (15) days prior to such date.

While by its terms this supplemental agreement expires on the thirty-first day of December 19...., it is agreed that unless one party to this supplemental agreement gives to the other, at least fifteen (15) days before the expiration of said period, written notice of its election that the supplemental agreement shall terminate at the said time, it will continue in full force and effect for the succeeding calendar year and thereafter will continue in full force and effect from year to year unless at least fifteen days prior to the expiration of any calendar year one party shall give to the other written notice of its election so to terminate.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed, in duplicate, by their re-

spective officers, pursuant to the authority heretofore granted, as of the date first hereinabove written.

..... OREGON PHYSICIANS' SERVICE

Employer By .....

By ..... Manager

Title

---

**Plaintiff's Exhibit 130**

3767 SURGICAL and
HOSPITAL
SERVICE PLAN

now available
for the families
of
Group-Employe
Subscribers

[Emblem]

OREGON
PHYSICIANS'
SERVICE

SPONSORED AND APPROVED BY THE
OREGON STATE MEDICAL SOCIETY

---

3768 OREGON PHYSICIANS' SERVICE
*Surgical and Hospital Service Plan provides these Services for Your Family*

SURGICAL SERVICES

(From cooperating physicians and surgeons.)

* * * * * *

5 *Emergency Surgical Services outside the State of Oregon* from licensed medical physicians and surgeons up to maximum of $50.00 in any one case. Limited to the United States. (Surgical services provided are limited to six months in any case.)

* * * * * *

HOSPITAL SERVICES:

(From cooperating hospitals when subscribed is a registered bed patient under the care of an O.P.S. cooperating physician.)

1 FULL COST *of listed hospital services for 21 days'* care in a room of three or more beds for each separate ailment.

2 PLUS ONE-HALF COST *of listed hospital services for an additional 90 days* immediately following the 21 days.

3 *Meals and dietary services.*

4 *General nursing care.*

5 *Use of operating rooms.*

6 *Delivery room service in maternity cases.*

7 *Anesthesia.*

8 *Surgical and anesthetic supplies.*

9 *Routine splints, casts and dressings.*

10 *Routine laboratory examinations.*

11 *Diagnostic X-ray service* for patients confined in hospitals.

12 *Electrocardiograms and basal metabolism tests.*

13 *Drugs and medications in hospitalized cases* up to but not in excess of five dollars per hospital admission.

14 *Maternity care hospitalization allowance up to sixty dollars,* after 10 months' membership. (In addition to physician's service allowance up to $50.00.

15 *Hospital emergency room care for accidental injuries.*

16 *Choice of any cooperating hospital in Oregon.* Allowance up to six dollars per day for maximum of 21 days for emergency hospitalization in any other licensed hospital within the United States.

*(If a private room is desired in any hospitalized case, the member may obtain this service by paying the additional cost direct to the hospital.)*

* * * * *

3769 MONTHLY COST OF FAMILY SURGICAL & HOSPITAL COVERAGE

| | | | |
|---|---|---|---|
| Spouse (wife or husband) | $2.00 | Second Child | $.75 |
| First Child | $1.35 | Third Child | $.50 |

(No additional charge for average of additional children, if any.)

The rates are in addition to monthly dues paid by employed "head of the family" under O.P.S. Group-Employe Coverage.

## IMPORTANT INFORMATION

*Concerning Family Surgical and Hospital Service For Families of Employe-Groups.*

This service is available to the families of all employe-groups holding O.P.S. Full Coverage Medical and Hospital Service Contracts on the salary deduction plan for dues payment, providing the percentage participation requirements are met.

* * * * * *

*Each Member Receives Identification Card.*

Each participating member will receive a membership card stating directions for using the service, regulations and limitations. Membership cards always should be presented to physicians and surgeons and to hospitals when stipulated services may be needed by members.

* * * * * *

*State-Wide Staff of Physicians.*

More than 750 physicians, surgeons and consulting specialists, located throughout the entire State of Oregon, cooperate with O.P.S. A list will be furnished upon request.

OREGON [Emblem] PHYSICIANS' *Service*

| | |
|---|---|
| 471 Pittock Block | Portland 5, Oregon |
| 455 Ferry St. | Salem, Oregon |
| 225 Medford Center Bldg. | Medford, Ore. |

2391

Plaintiff's Exhibit 131

3770

# OREGON PHYSICIANS' SERVICE

OREGON'S APPROVED MEDICAL SERVICE PLAN

2392

3771

SPONSORED BY THE OREGON STATE MEDICAL SOCIETY

OREGON'S APPROVED MEDICAL SERVICE PLAN

OREGON PHYSICIANS' Service

1214 S.W. SIXTH AVE.
PORTLAND 4, OREGON

September 1, 1948

Oregon Physicians' Service
Board of Directors

Re: Statistical Summary
1947-1948 Fiscal Year

Gentlemen:

As you requested, the administrative staff has endeavored to summarize into charts and tables O.P.S. major activities during the 1947-1948 fiscal year.

We ask you to bear with us in this first summary—doubtless it can be improved. There are a few spots in which the totals shown on tables do not balance exactly with totals on the financial statements. These discrepancies arise out of records prepared several years ago, and are not of sufficient magnitude to invalidate any of the tables, nor any conclusions drawn from them.

Although it is intended to present statistical material on a definite pattern—figures by county within district, some of the data could be broken only by "pool". By the time of the next summary it is hoped that all data may be set out on the "county within district" basis.

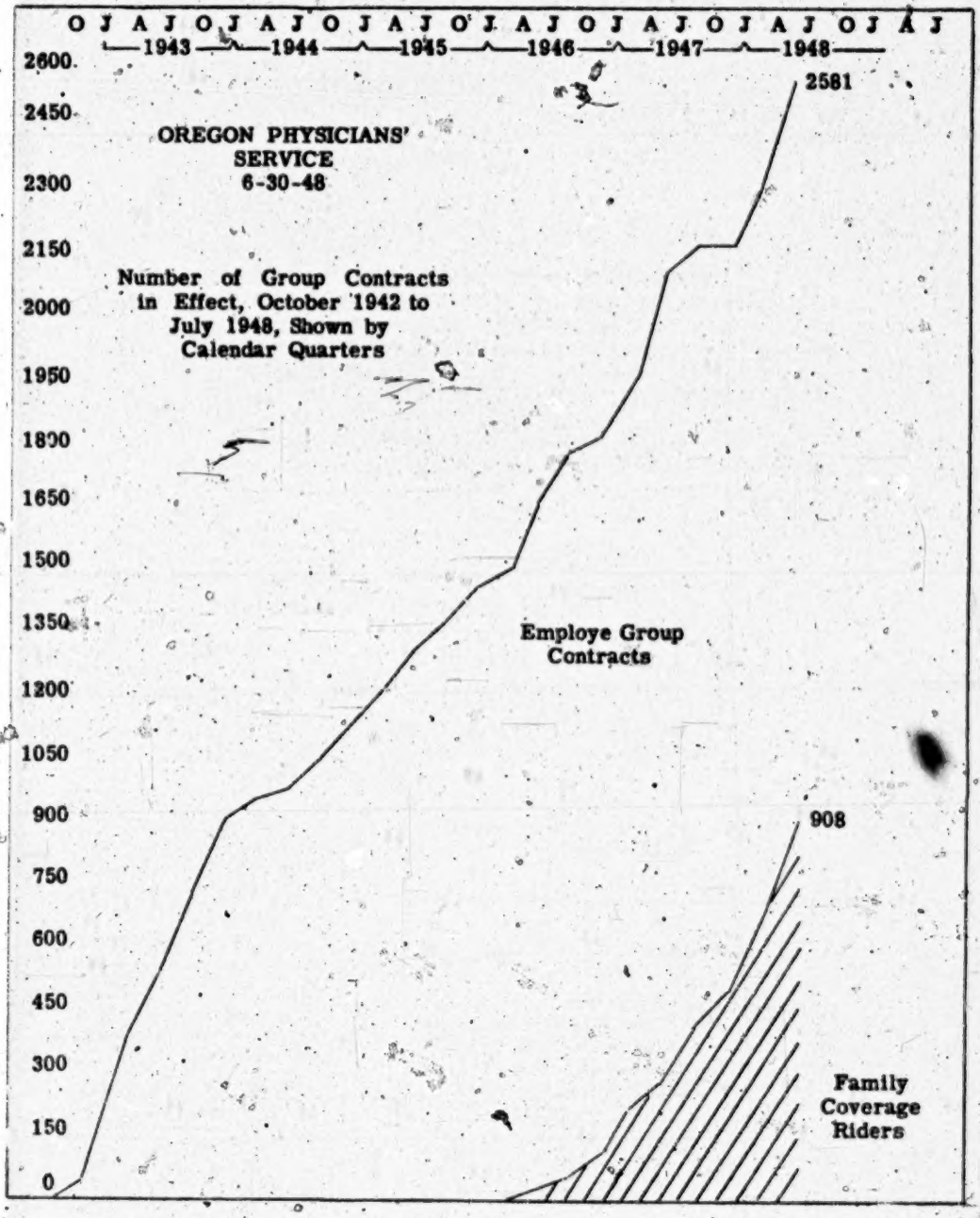
(Cont'd.)

The tables showing "profit or loss" on contracts must be read with the understanding that they are based on actual dollars and cents. Medical services are charged to accounts by actual money amounts—not at 100% of fee schedule unless the physicians actually received 100% of schedule.

Plans have been made, if they meet with your approval, to secure this same information quarterly from this point forward. We sincerely hope the Summary will be of aid to you.

Respectfully,

O. P. S. ADMINISTRATIVE STAFF


O J A J O J A J O J A J O J A J O J A J O J A J O J A J
1943
1944
1945
1946
1947
1948
2600
2450
2300
2150
2000
1950
1800
1650
1500
1350
1200
1050
900
750
600
450
300
150
0
OREGON PHYSICIANS' SERVICE
6-30-48
Number of Group Contracts in Effect, October 1942 to July 1948, Shown by Calendar Quarters
2581
Employe Group Contracts
908
Family Coverage Riders

OREGON PHYSICIANS' SERVICE
6-30-48

## NUMBER OF CONTRACTS IN EFFECT ON JUNE 30, 1948

| DISTRICT AND COUNTY | EMPLOYE Full Coverage | INDUSTRIAL Medical Aid Riders | FAMILY Surgical Limited Medical & Hospital Coverage Riders |
|---|---|---|---|
| **Central District:** | | | |
| Marion | 377 | 114 | 95 |
| Yamhill | 106 | 20 | 37 |
| Sub-Total | 483 | 134 | 132 |
| **Central Coast District:** | | | |
| Lincoln | 48 | 14 | 17 |
| Benton | 27 | 9 | 16 |
| Polk | 34 | 14 | 5 |
| Sub-Total | 109 | 37 | 38 |
| **South Central District:** | | | |
| Douglas | 208 | 86 | 35 |
| Linn | 74 | 24 | 19 |
| Coos | 14 | 9 | 1 |
| Curry | 5 | | |
| Lane | 7 | 4 | |
| Sub-Total | 308 | 123 | 55 |
| **Southern District:** | | | |
| Jackson | 159 | 34 | 36 |
| Josephine | 27 | 7 | 3 |
| Sub-Total | 186 | 41 | 39 |
| **Eastern Oregon District:** | | | |
| Baker | 11 | 1 | 8 |
| Malheur & Harney | 11 | | 6 |
| Umatilla | 44 | 5 | 21 |
| Union | 11 | | 8 |
| Wallowa | 3 | | |
| Gilliam, Grant, Morrow & Sherman | 11 | 3 | 7 |
| Sub-Total | 91 | 9 | 50 |

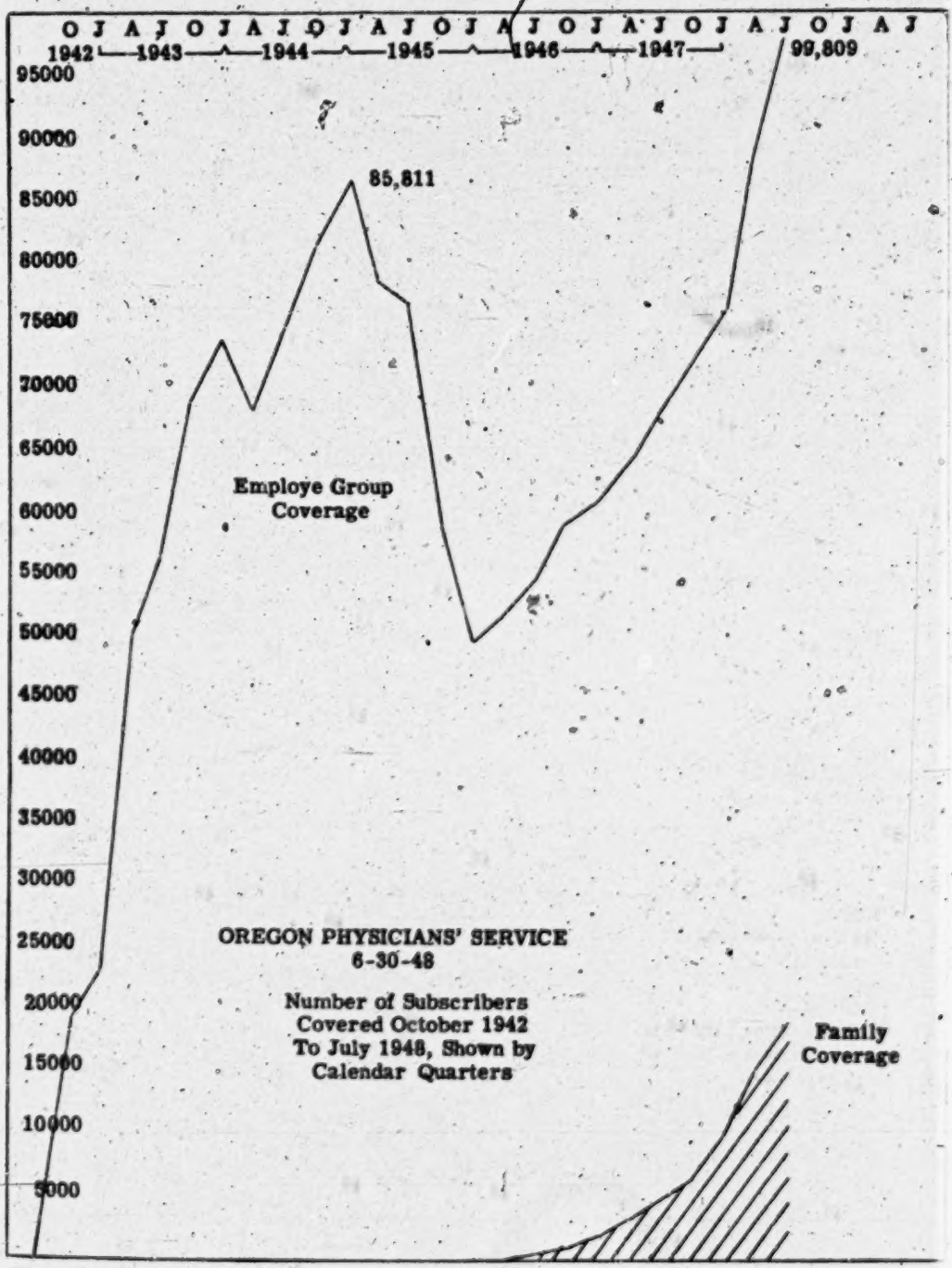
(Cont'd. next page)

OREGON PHYSICIANS' SERVICE
6-30-48

Number of Contracts in Effect on
June 30, 1948
(Cont'd.)

| DISTRICT AND COUNTY | EMPLOYE Full Coverage | INDUSTRIAL Medical Aid Riders | FAMILY Surgical Limited Medical & Hospital Coverage Riders |
|---|---|---|---|
| Northwestern Oregon District: | | | |
| Clatsop | 142 | 10 | 67 |
| Columbia | 45 | 9 | 11 |
| Tillamook | 10 | | 5 |
| Washington | 63 | 4 | 21 |
| Sub-Total | 260 | 23 | 104 |
| Central Oregon & Misc.: | | | |
| Deschutes, Wheeler & Jefferson | 13 | | 5 |
| Crook | 12 | 1 | 5 |
| Hood River, Wasco | 11 | 2 | 7 |
| Klamath, Lake | 1 | | 1 |
| Sub-Total | 37 | 3 | 18 |
| Multnomah County | 1079 | 61 | 447 |
| Clackamas | 28 | 6 | 8 |
| GRAND TOTAL | 2581 | 437 | 891 |

3776


O J A J O J A J O J A J O J A J O J A J O J A J O J A J
1942 1943 1944 1945 1946 1947
99,809
95000
90000
85000
80000
75000
70000
65000
60000
55000
50000
45000
40000
35000
30000
25000
20000
15000
10000
5000
85,811
Employe Group Coverage
OREGON PHYSICIANS' SERVICE
6-30-48
Number of Subscribers Covered October 1942 To July 1948, Shown by Calendar Quarters
Family Coverage

OREGON PHYSICIANS' SERVICE
6-30-48

## NUMBER OF SUBSCRIBERS COVERED
## JUNE 30, 1948

| DISTRICT AND COUNTY | INDUSTRIAL Medical Aid Contracts | EMPLOYE Group | FAMILY | TOTAL |
|---|---|---|---|---|
| **Central District:** | | | | |
| Marion | 2,057 | 12,186 | 1,937 | 14,123 |
| Yamhill | 154 | 2,042 | 643 | 2,685 |
| Sub-Total | 2,211 | 14,228 | 2,580 | 16,808 |
| **Central Coast District:** | | | | |
| Lincoln | 110 | 1,053 | 333 | 1,386 |
| Benton | 61 | 504 | 320 | 824 |
| Polk | 67 | 398 | 60 | 458 |
| Sub-Total | 238 | 1,955 | 713 | 2,668 |
| **South Central District:** | | | | |
| Douglas | 743 | 5,550 | 557 | 6,107 |
| Linn | 173 | 1,158 | 334 | 1,492 |
| Coos | 146 | 179 | 8 | 187 |
| Curry | 13 | 21 | | 21 |
| Lane | 11 | 163 | 29 | 192 |
| Sub-Total | 1,086 | 7,071 | 928 | 7,999 |
| **Southern District:** | | | | |
| Jackson | 274 | 3,119 | 544 | 3,663 |
| Josephine | 185 | 882 | 145 | 1,027 |
| Sub-Total | 459 | 4,001 | 689 | 4,690 |
| **Eastern Oregon District:** | | | | |
| Baker | 7 | 339 | 343 | 682 |
| Malheur & Harney | 2 | 87 | 44 | 131 |
| Umatilla | 17 | 1,352 | 576 | 1,928 |
| Union | 36 | 139 | 103 | 242 |
| Wallowa | | 60 | | 60 |
| Gilliam, Grant, Morrow and Sherman | 4 | 89 | 58 | 147 |
| Sub-Total | 66 | 2,066 | 1,124 | 3,190 |

(Cont'd. next page)

OREGON PHYSICIANS' SERVICE
6-30-48

Number of Subscribers Covered
June 30, 1948
(Cont'd.)

| DISTRICT AND COUNTY | INDUSTRIAL Medical Aid Contracts | EMPLOYE Group | FAMILY | TOTAL |
|---|---|---|---|---|
| Northwestern Oregon District: | | | | |
| Clatsop | 22 | 3,133 | 1,049 | 4,182 |
| Columbia | 198 | 907 | 73 | 980 |
| Tillamook | | 256 | 38 | 294 |
| Washington | 6 | 990 | 312 | 1,302 |
| Sub-Total | 226 | 5,286 | 1,472 | 6,758 |
| Central Oregon & Misc: | | | | |
| Deschutes, Wheeler and Jefferson | | 260 | 163 | 423 |
| Crook | 1 | 457 | 63 | 520 |
| Hood River, Wasco | 26 | 194 | 161 | 355 |
| Klamath, Lake | | 211 | 58 | 269 |
| Sub-Total | 27 | 1,122 | 445 | 1,567 |
| Multnomah County | 1,198 | 40,059 | 12,434 | 52,493 |
| Clackamas | 6 | 394 | 51 | 445 |
| Individual Coverage 1/ | | 1,878 | 1,313 | 3,191 |
| GRAND TOTAL | 5,517 | 78,060 | 21,749 | 99,809 |

1/ County Distribution not available.

2400

3779

OREGON PHYSICIANS' SERVICE
6-30-48

**CONTRACT INCOME DURING JANUARY, FEBRUARY AND MARCH 1948
SHOWN BY TYPE OF COVERAGE**

| DISTRICT AND COUNTY | INDUSTRIAL | EMPLOYE | FAMILY | TOTAL |
|---|---|---|---|---|
| **Central District:** | | | | |
| Marion | $4,891.41 | $ 85,118.26 | $6,199.04 | $ 96,208.71 |
| Yamhill | 222.72 | 18,264.82 | 1,907.50 | 20,395.04 |
| Sub-Total | 5,114.13 | 103,383.08 | 8,106.54 | 116,603.75 |
| **Central Coast District:** | | | | |
| Lincoln | 196.86 | 8,594.15 | 930.64 | 9,721.65 |
| Benton | 15.00 | 2,631.80 | 433.97 | 3,080.77 |
| Polk | 466.62 | 5,196.98 | 81.20 | 5,744.80 |
| Sub-Total | 678.48 | 16,422.93 | 1,445.81 | 18,547.22 |
| **South Central District:** | | | | |
| Douglas | 2,281.77 | 39,155.30 | 1,124.26 | 42,561.33 |
| Linn | 347.69 | 7,816.60 | 844.31 | 9,008.60 |
| Coos | 368.69 | 699.75 | 6.60 | 1,075.04 |
| Curry | 67.00 | 168.00 | | 235.00 |
| Lane | 24.00 | 438.60 | | 462.60 |
| Sub-Total | 3,089.15 | 48,278.25 | 1,975.17 | 53,342.57 |
| **Southern District** | | | | |
| Jackson | 1,063.78 | 24,757.50 | 1,537.27 | 27,358.55 |
| Josephine | 679.25 | 6,473.60 | 126.55 | 7,279.40 |
| Sub-Total | 1,743.03 | 31,231.10 | 1,663.82 | 34,637.95 |
| **Eastern Oregon District:** | | | | |
| Baker | | 2,232.00 | 639.30 | 2,871.30 |
| Malheur & Harney | | 660.40 | 112.40 | 772.80 |
| Umatilla | 69.90CR | 7,749.48 | 2,000.10 | 9,679.68 |
| Union | | 1,296.00 | 500.15 | 1,796.15 |
| Wallowa | | 351.00 | | 351.00 |
| Gilliam, Grant, Morrow & Sherman | | 336.00 | 26.10 | 362.10 |
| Sub-Total | 69.90CR | 12,624.88 | 3,278.05 | 15,833.03 |

(Cont'd. next page)

OREGON PHYSICIANS' SERVICE
6-30-48

Contract Income During January, February and March 1948
Shown by Type of Coverage
(Cont'd.)

| DISTRICT AND COUNTY | INDUSTRIAL | EMPLOYE | FAMILY | TOTAL |
|---|---|---|---|---|
| Northwestern Oregon District: | | | | |
| Clatsop | $ 73.00 | $ 25,683.00 | $1,975.60 | $ 27,731.60 |
| Columbia | 1,550.61 | 19,029.38 | 2,526.73 | 23,106.72 |
| Tillamook | | 2,514.00 | 87.70 | 2,601.70 |
| Washington | 2.25CR | 5,952.70 | 925.45 | 6,875.90 |
| Sub-Total | 1,621.36 | 53,179.08 | 5,515.48 | 60,315.92 |
| Central Oregon: | | | | |
| Deschutes; Wheeler & Jefferson | 2.00 | 1,956.00 | 371.85 | 2,529.85 |
| Crook | | 2,872.40 | 199.75 | 3,072.15 |
| Hood River, Wasco | 94.90 | 1,836.20 | 687.15 | 2,618.25 |
| Klamath, Lake | | 1,428.85 | 37.82 | 1,466.67 |
| Sub-Total | 96.90 | 8,093.45 | 1,296.57 | 9,486.92 |
| Multnomah County | 3,631.10 | 354,969.08 | 42,947.80 | 401,547.98 |
| Clackamas | 43.00 | 3,710.50 | 287.68 | 4,041.18 |
| GRAND TOTAL | $15,947.25 | $631,892.35 | $66,516.92 | $714,356.52 |

OREGON PHYSICIANS' SERVICE
6-30-48

PROFIT OR LOSS ON CONTRACTS DURING
JANUARY, FEBRUARY, MARCH 1948, SHOWN BY TYPE OF COVERAGE

| DISTRICT AND COUNTY | INDUSTRIAL Medical Aid Contracts | EMPLOYE Full Coverage Contracts | FAMILY Surgical Limited Medical & Hospital Contracts | TOTAL |
|---|---|---|---|---|
| **Central District:** | | | | |
| Marion | $1,447.24CR | $31,914.43CR | $2,025.11 | $31,336.56CR |
| Yamhill | 89.81CR | 2,760.99CR | 1,283.47 | 1,567.33CR |
| Sub-Total | 1,537.05CR | 34,675.42CR | 3,308.58 | 32,903.89CR |
| **Central Coast District:** | | | | |
| Lincoln | 142.52CR | 2,481.66CR | 593.40 | 2,030.78CR |
| Benton | 12.71 | 656.19 | 258.32 | 927.22 |
| Polk | 322.61CR | 282.45 | 68.84 | 28.68 |
| Sub-Total | 452.42CR | 1,543.02CR | 920.56 | 1,074.88CR |
| **South Central District:** | | | | |
| Douglas | 1,657.00CR | 4,087.61 | 704.11 | 3,134.72 |
| Linn | 161.22 | 550.58 | 324.41 | 1,036.21 |
| Coos | 162.05 | 306.52 | 5.59 | 474.16 |
| Curry | 56.80 | 71.41 | | 128.21 |
| Lane | 20.35 | 140.82CR | | 120.47CR |
| Sub-Total | 1,256.58CR | 4,875.30 | 1,034.11 | 4,652.83 |
| **Southern District:** | | | | |
| Jackson | 677.24 | 4,573.16CR | 578.67CR | 4,474.59CR |
| Josephine | 471.45 | 1,527.36CR | 77.03 | 978.88CR |
| Sub-Total | 1,148.69 | 6,100.52CR | 501.64CR | 5,453.47CR |
| **Eastern Oregon District:** | | | | |
| Baker | | 873.51 | 122.57CR | 750.94 |
| Malheur & Harney | | 884.24CR | 13.78 | 870.46CR |
| Umatilla | 84.51CR | 2,826.84CR | 1,091.53 | 1,819.82CR |
| Union | | 99.18 | 288.97 | 388.15 |
| Wallowa | | 115.24 | | 115.24 |
| Gilliam, Grant, Morrow and Sherman | | 52.17CR | 22.12 | 30.05CR |
| Sub-Total | 84.51CR | 2,675.32CR | 1,293.83 | 1,466.00CR |

(Cont'd. next page)

OREGON PHYSICIANS' SERVICE
6-30-48

Profit or Loss on Contracts During
January, February, March 1948, Shown by Type of Coverage
(Cont'd.)

| DISTRICT AND COUNTY | INDUSTRIAL Medical Aid Contracts | EMPLOYE Full Coverage Contracts | FAMILY Surgical Limited Medical & Hospital Contracts | TOTAL |
|---|---|---|---|---|
| Northwestern Oregon District: | | | | |
| Clatsop | $ 52.48 | $ 7,474.96CR | $ 663.07 | $ 6,759.41CR |
| Columbia | 1,078.54 | 749.37 | 1,860.65 | 3,688.56 |
| Tillamook | | 138.22 | 74.34 | 212.56 |
| Washington | 2.59CR | 487.85CR | 136.96 | 353.48CR |
| Sub-Total | 1,128.43 | 7,075.22CR | 2,735.02 | 3,211.77CR |
| Central Oregon: | | | | |
| Deschutes, Wheeler & Jefferson | 1.70 | 398.43CR | 267.46 | 129.27CR |
| Crook | | 857.19 | 143.83 | 1,001.02 |
| Hood River, Wasco | 80.44 | 542.19 | 90.76 | 713.39 |
| Klamath, Lake | | 265.12CR | 32.06 | 233.06CR |
| Sub-Total | 82.14 | 735.83 | 534.11 | 1,352.08 |
| Multnomah County | 145.98 | 6,870.76CR | 18,520.61 | 11,795.83 |
| Clackamas | 36.46 | 269.75 | 236.36 | 542.57 |
| GRAND TOTAL | $788.86CR | $53,059.38CR | $28,081.54 | $25,766.70CR |

OREGON PHYSICIANS' SERVICE
6-30-48

## CONTRACT INCOME DURING APRIL, MAY AND JUNE, 1948
## SHOWN BY TYPE OF COVERAGE

| DISTRICT AND COUNTY | INDUSTRIAL Medical Aid Riders | EMPLOYE Full Coverage | FAMILY Surgical Limited Medical & Hospital Riders | TOTAL |
|---|---|---|---|---|
| **Central District.** | | | | |
| Marion | $3,602.51 | $89,036.65 | $9,458.84 | $102,098.00 |
| Yamhill | 394.25 | 18,321.85 | 2,211.15 | 20,927.25 |
| Sub-Total | 3,996.76 | 107,358.50 | 11,669.99 | 123,025.25 |
| **Central Coast District:** | | | | |
| Lincoln | 278.43 | 8,639.35 | 1,130.36 | 10,048.14 |
| Benton | 18.25 | 3,320.80 | 887.79 | 4,226.84 |
| Polk | 358.48 | 5,793.43 | 279.45 | 6,431.36 |
| Sub-Total | 655.16 | 17,753.58 | 2,297.60 | 20,706.34 |
| **South Central District:** | | | | |
| Douglas | 2,685.39 | 46,541.40 | 2,005.99 | 51,232.78 |
| Linn | 232.32 | 10,647.60 | 1,509.15 | 12,389.07 |
| Coos | 742.97 | 1,299.30 | 34.55 | 2,076.82 |
| Curry | | 218.00 | | 218.00 |
| Lane | 38.00 | 567.75 | | 605.75 |
| Sub-Total | 3,698.68 | 59,274.05 | 3,549.69 | 66,522.42 |
| **Southern District:** | | | | |
| Jackson | 1,317.96 | 27,628.10 | 3,095.69 | 32,041.75 |
| Josephine | 738.58 | 6,441.70 | 375.30 | 7,555.58 |
| Sub-Total | 2,056.54 | 34,069.80 | 3,470.99 | 39,597.33 |
| **Eastern Oregon District:** | | | | |
| Baker | 6.00 | 2,409.75 | 633.00 | 3,048.75 |
| Malheur & Harney | | 759.50 | 171.40 | 930.90 |
| Umatilla | 29.50 | 9,262.09 | 2,157.45 | 11,449.04 |
| Union | | 1,200.00 | 429.05 | 1,629.05 |
| Wallowa | | 450.00 | | 450.00 |
| Gilliam, Grant, Morrow and Sherman | 6.50 | 796.50 | 289.75 | 1,092.75 |
| Sub-Total | 42.00 | 14,877.84 | 3,680.65 | 18,600.49 |

(Cont'd. next page)

OREGON PHYSICIANS' SERVICE
6-30-48

Contract Income During April, May and June, 1948
Shown by Type of Coverage
(Cont'd.)

| DISTRICT AND COUNTY | INDUSTRIAL Medical Aid Riders | EMPLOYE Full Coverage | FAMILY Surgical Limited Medical & Hospital Riders | TOTAL |
|---|---|---|---|---|
| Northwestern Oregon: | | | | |
| Clatsop | $ 162.50 | $27,947.35 | $4,622.68 | $ 32,732.53 |
| Columbia | 1,330.73 | 21,970.14 | 1,994.10 | 25,294.97 |
| Tillamook | | 2,181.50 | 117.75 | 2,299.25 |
| Washington | 27.75 | 6,807.35 | 1,265.85 | 8,100.95 |
| Sub-Total | 1,520.98 | 58,906.34 | 8,000.38 | 68,427.70 |
| Central Oregon & Misc.: | | | | |
| Deschutes, Wheeler and Jefferson | | 2,050.00 | 1,090.75 | 3,140.75 |
| Crook | 2.50 | 3,839.70 | 294.05 | 4,136.25 |
| Hood River, Wasco | 136.99 | 2,143.50 | 707.35 | 2,987.84 |
| Klamath, Lake | | 1,516.03 | 152.06 | 1,668.09 |
| Sub-Total | 139.49 | 9,549.23 | 2,244.21 | 11,932.93 |
| Multnomah County | 3,568.74 | 379,720.97 | 58,103.19 | 441,392.90 |
| Clackamas | 54.50 | 4,657.16 | 541.50 | 5,253.16 |
| GRAND TOTAL | $15,732.85 | $686,167.47 | $93,558.20 | $795,458.52 |

OREGON PHYSICIANS' SERVICE
6-30-48

## PROFIT OR LOSS ON CONTRACTS DURING APRIL, MAY, JUNE 1948, SHOWN BY TYPE OF COVERAGE

| DISTRICT AND COUNTY | INDUSTRIAL | EMPLOYE | FAMILY | TOTAL |
|---|---|---|---|---|
| **Central District:** | | | | |
| Marion | $ 3.38CR | $10,910.40CR | $4,953.90 | $ 5,959.88CR |
| Yamhill | 164.94 | 929.53 | 738.06 | 1,832.53 |
| Sub-Total | 161.56 | 9,980.87CR | 5,691.96 | 4,127.35CR |
| **Central Coast District:** | | | | |
| Lincoln | 525.78CR | 1,473.76 | 351.70 | 1,299.68 |
| Benton | 5.04 | 798.44 | 713.45 | 1,516.93 |
| Polk | 300.06CR | 504.70 | 237.75 | 442.39 |
| Sub-Total | 820.80CR | 2,776.90 | 1,302.90 | 3,259.00 |
| **South Central District:** | | | | |
| Douglas | 231.69CR | 13,399.07 | 928.62 | 14,096.00 |
| Linn | 87.64 | 3,422.80 | 596.95 | 4,107.39 |
| Coos | 536.61 | 586.83 | 29.40 | 1,152.84 |
| Curry | | 140.43 | | 140.43 |
| Lane | 28.82 | 188.05 | | 216.87 |
| Sub-Total | 421.38 | 17,737.18 | 1,554.97 | 19,713.53 |
| **Southern District:** | | | | |
| Jackson | 837.77 | 764.93 | 1,349.85 | 2,952.55 |
| Josephine | 506.39 | 923.94 | 182.81 | 1,613.14 |
| Sub-Total | 1,344.16 | 1,688.87 | 1,532.66 | 4,565.69 |
| **Eastern Oregon District:** | | | | |
| Baker | 5.10 | 1,450.34 | 355.06 | 1,810.50 |
| Malheur & Harney | | 237.08 | 68.34 | 305.42 |
| Umatilla | 15.42 | 2,972.16CR | 576.89 | 2,379.85CR |
| Union | | 122.06 | 250.55 | 372.61 |
| Wallowa | | 259.56 | | 259.56 |
| Gilliam, Grant, Morrow and Sherman | 5.53 | 431.18 | 246.53 | 683.24 |
| Sub-Total | 26.05 | 471.94CR | 1,497.37 | 1,051.48 |

(Cont'd. next page)

OREGON PHYSICIANS' SERVICE
6-30-48

Profit or Loss on Contracts During April, May, June 1948,
Shown by Type of Coverage
(Cont'd.)

| DISTRICT AND COUNTY | INDUSTRIAL | EMPLOYE | FAMILY | TOTAL |
|---|---|---|---|---|
| Northwestern Oreg. Dist: | | | | |
| Clatsop | $ 70.96 | $ 5,620.85CR | $2,039.38 | $ 3,510.51CR |
| Columbia | 534.51CR | 6,050.92 | 1,254.07 | 6,770.48 |
| Tillamook | | 105.68 | 17.43CR | 88.25 |
| Washington | 13.60 | 1,178.72 | 530.90 | 1,723.22 |
| Sub-Total | 449.95CR | 1,714.47 | 3,806.92 | 5,071.44 |
| Central Oregon & Misc: | | | | |
| Deschutes; Wheeler, and Jefferson | | 669.16 | 890.77 | 1,559.93 |
| Crook | 7.87CR | 113.62 | 175.17 | 280.92 |
| Hood River, Wasco | 113.41 | 217.19 | 351.57 | 682.17 |
| Klamath, Lake | | 300.81CR | 129.37 | 171.44CR |
| Sub-Total | 105.54 | 699.16 | 1,546.88 | 2,351.58 |
| Multnomah County | 358.61 | 855.03 | 25,784.19 | 26,997.83 |
| Clackamas | 41.36 | 1,401.24 | 460.70 | 1,903.30 |
| GRAND TOTAL | $1,187.91 | $16,420.04 | $43,178.55 | $60,786.50 |

2408

3787

OREGON PHYSICIANS' SERVICE
6-30-48

CONTRACT INCOME FOR FISCAL YEAR
ENDING JUNE 30, 1948, SHOWN BY CALENDAR QUARTER

| DISTRICT AND COUNTY | JULY, AUG., SEPT. '47 | OCT., NOV., DEC. '47 | JAN., FEB., MARCH '48 | APRIL, MAY JUNE '48 |
|---|---|---|---|---|
| **Central District:** | | | | |
| Marion | | | $ 96,208.71 | $102,098.00 |
| Yamhill | | | 20,395.04 | 20,927.25 |
| Sub-Total | | | 116,603.75 | 123,025.25 |
| **Central Coast District:** | | | | |
| Lincoln | | | 9,721.65 | 10,048.14 |
| Benton | | | 3,080.77 | 4,226.84 |
| Polk | | | 5,744.80 | 6,431.36 |
| Sub-Total | | | 18,547.22 | 20,706.34 |
| **South Central District:** | $226,180.73 | $251,673.80 | | |
| Douglas | County and | | 42,561.33 | 51,232.78 |
| Linn | District | | 9,008.60 | 12,389.07 |
| Coos | Distribution | | 1,075.04 | 2,076.82 |
| Curry | Not Available | | 235.00 | 218.00 |
| Lane | for 3rd & 4th | | 462.60 | 605.75 |
| Sub-Total | Quarters 1947 | | 53,342.57 | 66,522.42 |
| **Southern District:** | | | | |
| Jackson | | | 27,358.55 | 32,041.75 |
| Josephine | | | 7,279.40 | 7,555.58 |
| Sub-Total | | | 34,637.95 | 39,597.33 |
| **Eastern Oregon District:** | | | | |
| Baker | 2,730.65 | 2,552.70 | 2,871.30 | 3,048.75 |
| Malheur & Harney | 1,588.15 | 788.40 | 772.80 | 930.90 |
| Umatilla | 11,416.05 | 9,856.37 | 9,679.68 | 11,449.04 |
| Union | 1,405.30 | 1,937.96 | 1,796.15 | 1,629.05 |
| Wallowa | 441.00 | 381.00 | 351.00 | 450.00 |
| Gilliam, Grant, Morrow and Sherman | 329.40 | 353.10 | 362.10 | 1,092.75 |
| Sub-Total | 17,910.55 | 15,869.53 | 15,833.03 | 18,600.49 |

(Cont'd. next page)

3788

OREGON PHYSICIANS' SERVICE
6-30-48

Contract Income for Fiscal Year
Ending June 30, 1948, Shown by Calendar Quarter
(Cont'd.)

| DISTRICT AND COUNTY | JULY, AUG., SEPT. '47 | OCT., NOV., DEC. '47 | JAN., FEB., MARCH '48 | APRIL, MAY, JUNE '48 |
|---|---|---|---|---|
| Northwestern Oregon Dist: | | | | |
| Clatsop | $ 24,916.21 | $ 26,033.62 | $ 27,731.60 | $ 32,732.53 |
| Columbia | 17,036.65 | 18,248.90 | 23,106.72 | 25,294.97 |
| Tillamook | 2,311.80 | 1,743.00 | 2,601.70 | 2,299.25 |
| Washington | 6,499.75 | 7,048.33 | 6,875.90 | 8,100.95 |
| Sub-Total | 50,764.41 | 53,073.85 | 60,315.92 | 68,427.70 |
| Central Oregon & Misc: | | | | |
| Deschutes, Wheeler and Jefferson | 3,796.31 | 2,178.12 | 2,329.85 | 3,140.75 |
| Crook | 808.30 | 2,475.46 | 3,072.15 | 4,136.25 |
| Hood River, Wasco | 1,720.09 | 2,777.21 | 2,618.25 | 2,987.84 |
| Klamath, Lake | 1,252.40 | 1,146.00 | 1,466.67 | 1,668.09 |
| Sub-Total | 7,577.10 | 8,576.79 | 9,486.92 | 11,932.93 |
| Multnomah County | 331,553.71 | 384,565.60 | 401,547.98 | 441,392.90 |
| Clackamas | 1,812.45 | 2,820.70 | 4,041.18 | 3,993.46 |
| GRAND TOTAL | $635,798.95 | $696,580.27 | $714,356.52 | $795,458.52 |

2410

3789

OREGON PHYSICIANS' SERVICE
8-30-48

## CUMULATIVE PROFIT OR LOSS ON CONTRACTS TO JUNE 30, 1948
## SHOWN BY TYPE OF COVERAGE

| DISTRICT AND COUNTY | | EMPLOYE Full Coverage | INDUSTRIAL Medical Aid Riders | FAMILY Surgical Limited Medical & Hospital Riders | TOTAL |
|---|---|---|---|---|---|
| **Central District:** | | | | | |
| Marion | 1/ | $46,179.97CR | $2,626.10 | $10,214.61 | $33,339.26CR |
| Yamhill | 1/ | 3,204.20 | 915.82 | 4,378.15 | 8,498.17 |
| Sub-Total | | 42,975.77CR | 3,541.92 | 14,592.73 | 24,841.09CR |
| **Central Coast District:** | | | | | |
| Lincoln | 1/ | 1,528.51 | 65.78CR | 1,334.73 | 2,797.46 |
| Benton | 1/ | 4,213.11 | 45.21 | 1,137.26 | 5,395.58 |
| Polk | 1/ | 3,293.47 | 330.22CR | 306.59 | 3,269.84 |
| Sub-Total | | 9,035.09 | 350.79CR | 2,778.58 | 11,462.88 |
| **South Central District:** | | | | | |
| Douglas | 1/ | 44,190.89 | 2,560.86CR | 2,183.21 | 43,813.24 |
| Linn | 1/ | 8,609.92 | 871.63 | 1,929.70 | 11,411.25 |
| Coos | 1/ | 1,667.60 | 734.17 | 34.99 | 2,436.76 |
| Curry | 1/ | 474.14 | | | 474.14 |
| Lane | 1/ | 285.56 | 103.94 | | 389.50 |
| Sub-Total | | 55,228.11 | 851.12CR | 4,147.90 | 58,524.89 |
| **Southern District:** | | | | | |
| Jackson | 1/ | 25,478.71 | 3,862.60 | 1,807.44 | 31,148.75 |
| Josephine | 1/ | 4,395.34 | 2,129.92 | 360.26 | 6,885.52 |
| Sub-Total | | 29,874.05 | 5,992.52 | 2,167.70 | 38,034.27 |
| **Eastern Oregon District:** | | | | | |
| Baker | | 9,156.80 | 5.10 | 783.43 | 9,945.33 |
| Malheur & Harney | | 3,756.89 | | 167.33 | 3,924.22 |
| Umatilla | | 356.50CR | 63.42 | 1,918.77 | 1,625.69 |
| Union | | 104.03CR | | 832.32 | 728.29 |
| Wallowa | | 1,773.38 | | | 1,773.38 |
| Gilliam, Grant, Morrow and Sherman | | 805.58 | 5.53 | 306.24 | 1,117.35 |
| Sub-Total | | 15,032.12 | 74.05 | 4,008.09 | 19,114.26 |

(Cont'd. next page)

OREGON PHYSICIANS' SERVICE
6-30-48

Cumulative Profit or Loss on Contracts to June 30, 1948
Shown by Type of Coverage
(Cont'd.)

| DISTRICT AND COUNTY | EMPLOYE Full Coverage | INDUSTRIAL Medical Aid Riders | FAMILY Surgical Limited Medical & Hospital Riders | TOTAL |
|---|---|---|---|---|
| Northwestern Oregon Dist.: | | | | |
| Clatsop | $28,452.15CR | $ 452.51 | $ 5,935.50 | $22,064.14CR |
| Columbia | 13,333.32 | 407.21 | 3,574.17 | 17,314.70 |
| Tillamook | 4,069.40CR | | 370.21 | 3,699.19CR |
| Washington | 6,167.71 | 14.41 | 1,682.70 | 7,864.82 |
| Sub-Total | 13,020.52CR | 874.13 | 11,562.58 | 583.81CR |
| Central Oregon & Misc: | | | | |
| Deschutes, Wheeler, and Jefferson | 4,564.07 | | 1,599.39 | 6,163.46 |
| Crook | 290.44 | 7.87CR | 630.09 | 912.66 |
| Hood River, Wasco | 3,010.95 | 792.61 | 1,156.79 | 4,960.35 |
| Klamath, Lake | 3,136.21 | | 161.43 | 3,297.64 |
| Sub-Total | 11,001.67 | 784.74 | 3,547.70 | 15,334.11 |
| Multnomah County | 2,051.68 | 4,282.56 | 80,909.19 | 87,243.43 |
| Clackamas | 5,514.91 | 138.54 | 775.68 | 6,429.13 |
| GRAND TOTAL | $71,741.34 | $14,486.55 | $124,490.18 | $210,718.07 |

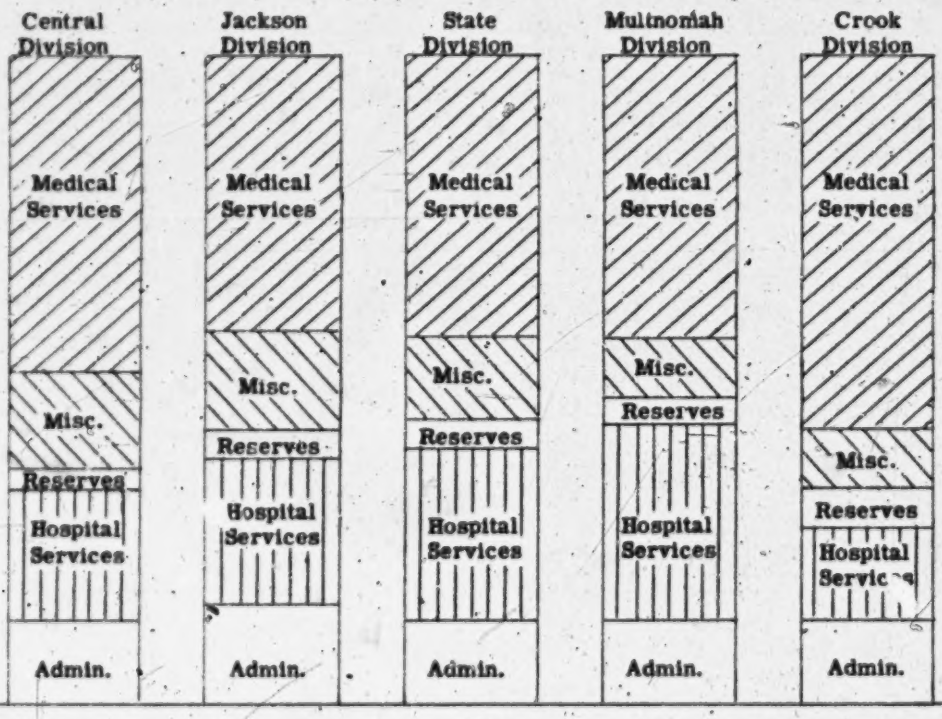
1/ Cumulative Only Since 1-1-47

2412

3791

OREGON PHYSICIANS
SERVICE
6-30-48

Distribution of Income 1947-1948
Fiscal Year, Shown by Pool



OREGON PHYSICIANS' SERVICE
6-30-48

## PERCENTAGE OF FEE SCHEDULE PAYMENTS TO MEMBER PHYSICIANS FISCAL YEAR ENDING JUNE 30, 1948

1947

| | July | Aug. | Sept. | Oct. | Nov. | Dec. |
|---|---|---|---|---|---|---|
| CENTRAL POOL | 90% | 100% | 85% | 90% | 90% | 90% |
| JACKSON POOL | 100 | 100 | 100 | 100 | 100 | 100 |
| STATE POOL | 100 | 100 | 100 | 100 | 100 | 100 |
| MULTNOMAH POOL | 90 | 90 | 85 | 80 | 80 | 80 |
| CROOK POOL | | | 1/ | 100 | 100 | 100 |

1948

| | Jan | Feb. 2/ | Mar. | Apr. | May | June | Average For Fiscal Year |
|---|---|---|---|---|---|---|---|
| CENTRAL POOL | 90% | 80% | 60% | 50% | 75% | 85% | 82. % |
| JACKSON POOL | 100 | 100 | 100 | 100 | 100 | 100 | 100. |
| STATE POOL | 100 | 80 | 60 | 50 | 50 | 50 | 82.5 |
| MULTNOMAH POOL | 50 | 50 | 50 | 55 | 70 | 50 | 70. |
| CROOK POOL | 100 | 100 | 100 | 100 | 100 | 100 | 100. |

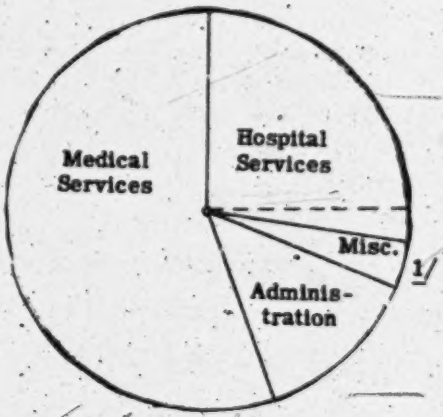
1/ [illegible] County Pool Established 10-1-47

2/ Current Fee Schedule Placed in Effect.

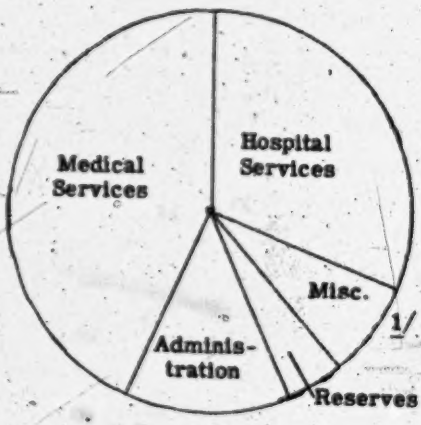
OREGON PHYSICIANS' SERVICE
6-30-48

## DISTRIBUTION OF INCOME
1946—1947; 1947—1948; Fiscal Years

O. P. S.
1946—1947
Fiscal Year




O. P. S.
1947—1948
Fiscal Year




Note: In 1946—1947 Fiscal Year an operating loss of 2.09% of Gross Income was made up by corresponding reductions in reserves.

1/ Transportation
Dental Services
Special Nursing
Promotion
First Aid Services

OREGON PHYSICIANS' SERVICE
6-30-48

Distribution of Payments to Member Physicians
By Type of Medical Service (Fee Schedule Items)
October — November — December 1947: Shown as
Percentage of Total Payments to Member Physicians.

| | Mult. Co. Pool | Central Pool | Jackson Pool | State Pool |
|---|---|---|---|---|
| Visits and Examinations: | 54.4% | 55.8% | 67.5% | 57.01% |
| X-ray: | 13. % | 15.4% | 1.3% | 11.1 % |
| Clinical Laboratory: | 2. % | 3.3% | .2% | 1.3 % |
| Surgery: | 20. % | 14.5% | 20. % | 20.5 % |
| Fractures, Amputations, Dislocations: | 2.9% | 4.1% | 3.8% | 4.1 % |
| Eye, Ear, Nose, Throat. | 3.6% | 2.2% | 3.3% | 2.1 % |
| Miscellaneous: | 4.1% | 4.7% | 3.9% | 3.8 % |

OREGON PHYSICIANS' SERVICE
6-30-48

## SERVICE COSTS AS PERCENTAGE OF INCOME
## APRIL, MAY AND JUNE, 1948

| DISTRICT AND COUNTY | MED. SERV. | HOS. SERV. | DENT. SERV. | SPEC. NURSES | FIRST AID EXP. | MISC. |
|---|---|---|---|---|---|---|
| **Central District:** | | | | | | |
| Marion | 54.3 | 30.1 | 3.4 | 0.9 | 1.1 | 1.0 |
| Yamhill | 43.7 | 29.2 | 2.2 | 0.1 | 0.7 | 0.2 |
| **Central Coast Dist:** | | | | | | |
| Lincoln | 27.45 | 35.3 | 3.7 | 4.4 | 0.7 | 0.5 |
| Benton | 33.6 | 10.7 | 2.1 | | 2.8 | |
| Polk | 44.7 | 27.1 | 4.0 | 0.1 | 2.1 | 0.1 |
| **South Central Dist:** | | | | | | |
| Douglas | 32.9 | 15.1 | 2.4 | 4.0 | 0.9 | 0.9 |
| Linn | 31.8 | 15.7 | 2.7 | | 1.1 | 0.3 |
| Coos | 17.5 | 6.9 | 1.4 | | 2.2 | 1.5 |
| Curry | 16.7 | | | | | |
| Lane | 35.8 | 5.4 | 5.5 | | 2.1 | |
| **Southern District:** | | | | | | |
| Jackson | 47.6 | 21.4 | 2.4 | 0.1 | 0.1 | 0.3 |
| Josephine | 26.1 | 29.8 | 3.9 | | | 1.9 |
| **Eastern Oreg. Dist:** | | | | | | |
| Baker | 15.7 | 9.59 | 0.3 | | | |
| Malheur & Harney | 35.4 | 12.9 | 0.4 | | 0.1 | |
| Umatilla | 55.8 | 46.5 | 3.1 | | 0.3 | 0.1 |
| Union | 36.6 | 25.0 | 0.2 | | 0.1 | 0.5 |
| Wallowa | 18.1 | 3.9 | 5.3 | | | |
| Gilliam, Grant, Morrow & Sherman | 0.3 | 21.1 | 0.9 | | 0.5 | |
| **Nowthwestern Oreg. Dist:** | | | | | | |
| Clatsop | 41.2 | 50.0 | 2.5 | 1.6 | 0.2 | 0.3 |
| Columbia | 30.1 | 17.8 | 3.1 | 0.4 | 6.0 | 1.0 |
| Tillamook | 35.4 | 23.4 | 3.3 | | 18.0 | 1.0 |
| Washington | 34.6 | 27.5 | 0.9 | 0.5 | 0.1 | 0.1 |

(Cont'd. next page)

OREGON PHYSICIANS' SERVICE
6-30-48

Service Costs as Percentage of Income
April, May and June, 1948
(Cont'd.)

| DISTRICT AND COUNTY | MED. SERV. | HOSP. SERV. | DENT. SERV. | SPEC. NURSES | FIRST AID EXP. | MISC. |
|---|---|---|---|---|---|---|
| Cent. Oreg. & Misc: | | | | | | |
| Deschutes, Wheeler, & Jefferson | 27.3 | 5.2 | 0.3 | | 0.1 | 0.1 |
| Crook | 55.2 | 20.2 | 2.0 | | 1.0 | |
| Hood River, Wasco | 25.4 | 35.6 | 0.9 | | 0.3 | |
| Klamath, Lake | 41.1 | 38.6 | 1.0 | | | 0.6 |
| Multnomah County | 44.4 | 30.4 | 2.2 | 1.8 | 0.6 | 0.8 |
| Clackamas | 25.1 | 8.8 | 2.1 | | 0.1 | |

OREGON PHYSICIANS' SERVICE
6-30-48

CHART 7. COMPARISON OF HOSPITAL COSTS BY POOL
JANUARY—JULY 1948

| | HOSPITAL COSTS AS % OF GROSS INCOME | | AVERAGE DAYS PER CASE | |
|---|---|---|---|---|
| | Year Ending 6-30-47 | Year Ending 6-30-48 | Jan. '48 | July '48 |
| CENTRAL (Salem) POOL | 21.56% | 22.98% | 3.78% | 6.16% |
| JACKSON COUNTY POOL | 15.64 | 23.68 | 3.81 | 4.44 |
| CROOK COUNTY POOL | 1/ | 13.07 | 3.5 | 6.5 |
| MULTNOMAH COUNTY POOL | 29.44 | 30.81 | 8.74 | 9.02 |
| STATE POOL | 21.88 | 26.95 | 8.68 | 9.77 |

| | AVERAGE COST PER DAY | | AVERAGE COST PER CASE | |
|---|---|---|---|---|
| | Jan. 48 | July '48 | Jan. 48 | July '48 |
| CENTRAL (Salem) POOL | $12.95 | $15.32 | $48.97 | $94.15 |
| JACKSON COUNTY POOL | 11.29 | 11.62 | 43.06 | 51.63 |
| CROOK COUNTY POOL | 13.00 | 10.65 | 45.50 | 69.25 |
| MULTNOMAH COUNTY POOL | 13.23 | 14.66 | 115.66 | 127.78 |
| STATE POOL | 12.81 | 11.58 | 75.82 | 113.02 |

1/ Pool Established 10-1-47

**Plaintiff's Exhibit 133**

3798 OREGON PHYSICIANS' SERVICE

FULL COVERAGE MEDICAL AND HOSPITAL CONTRACT
(Illness and Non-Occupational Accidents)

CONTRACT, made and entered into on this ..... day of ....., 19....

BY AND BETWEEN OREGON PHYSICIANS' SERVICE, an Oregon corporation having offices situated at Salem, Portland and Medford, in the State of Oregon, and being licensed to conduct the business of an hospital association under the laws of the State of Oregon, hereinafter called "O. P. S.";

AND ....., hereinafter called "the Employer";

WITNESSETH: O. P. S., in consideration of the sums of money to be paid to it by the Employer as hereinafter provided, hereby agrees to procure, and make available, at the expense of O. P. S., to each employe entitled to the benefits of this contract with the Employer and working in connection with the Employer's operations at ....., from time to time as occasion demands during the life of this contract, medical and surgical services, hospital accommodations, ambulance service, dental service and other benefits as follows:

1. MEDICAL AND SURGICAL SERVICES: Except as otherwise provided in this contract, O. P. S. will bear the expense of necessary medical and surgical services required by each employe entitled to the benefits of this contract for illness or non-occupational injury, such services to be rendered by physicians or surgeons authorized by O. P. S. (hereinafter, for convenience, sometimes called physicians, surgeons or specialists cooperating with O. P. S.), who will render such services at their respective offices, or at hospitals approved by O. P. S., or at the employe's home, or at the place of occurrence of an emergency illness or injury. Services elsewhere than at such physician's or surgeon's office will be procured only when the illness or injury of the employe requiring such services is such as to render him unable to travel to such physician's or surgeon's office. Each employe entitled to the benefits of this contract shall be allowed unrestricted choice from amongst available physicians and surgeons cooperating with O. P. S. for the treatment of illness or injury.

2. EMERGENCY CARE: If injury or illness shall occur within the State of Oregon to an employe entitled to the benefits of this contract and the services of a physician or surgeon cooperating with O. P. S. shall not be available to him, then, and in that event, either the Employer or the employé may obtain the services of the most conveniently available doctor of medicine licensed by the Oregon State Board of Medical Examiners, to render emergency services to such injured or ill employe until such time as a physician or surgeon cooperating with O. P. S. can render such employe his services, in which event the expense of such emergency services will be defrayed by O. P. S. to the extent of an amount equal to the established O. P. S. rates for such services. Either the Employer or such employe shall immediately notify O. P. S. of such injured or ill employe's requiring, and receiving, such emergency services. Failure so to notify O. P. S. shall relieve O. P. S. of all responsibility for the care of such employe other than for actual emergency treatment. Such emergency treatment shall include surgical operation or extended hospital care only when specifically authorized by O. P. S.

3. CARE OF TRAVELING EMPLOYES: An employe entitled to the benefits of this contract if injured or taken ill while out of the State of Oregon but within the continent of North America, and not elsewhere, shall be entitled to receive the services of a state-licensed doctor of medicine, and hospital services for serious cases, in the nearest city or town in which such services may be available and the costs of such services shall be paid by O. P. S. to the extent of an amount equal to the established O. P. S. rates for such services. It shall be the duty of such injured or ill employe to notify O. P. S. as soon as possible of his requiring, and receiving, such services. Failure on the part of such employee to give such notice to O. P. S. shall relieve O. P. S. from all responsibility for the care of such employe other than for actual emergency treatment. Such emergency treatment shall include surgical operation or extended hospital care only when specifically authorized by O. P. S.

3799 4. SPECIALISTS: Services of specialists cooperating with O. P. S. will be procured on the recommendation of the attending physician or surgeon cooperating with O. P. S. Services of eye, ear, nose and throat specialists will be procured when required for the care of injury or disease of the eye, ear, nose or throat.

5. DENTAL SERVICES: Dental services of dentists authorized by O. P. S. will be procured to the extent of the simple extractions of teeth and treatment of acute gum trouble for the purpose of immediate relief. Extractions are limited to not more than four teeth in any one case excepting that a staff physician may authorize additional extractions for the treatment of systemic sickness. Services for extraction of erupted impacted wisdom teeth are provided only when an attending physician may recommend such extraction as necessary treatment of a systemic sickness. Unerupted impacted wisdom teeth are not covered at any time. Treatment for Vicent's Angina (trench mouth) will be procured, as well as dental X-ray, when ordered by a physician or surgeon cooperating with O. P. S. Treatment for pyorrhea is excluded from the coverage of this contract.

6. MEDICINES FOR HOSPITALIZED PATIENTS: O. P. S. will procure all necessary medicines, medical and surgical supplies which may be used or prescribed by physicians or surgeons cooperating with O. P. S. in the treatment of employes while receiving necessary care in general hospitals approved by O. P. S. as stipulated in this contract. Serums and antitoxins, and the administering thereof, will be procured for the treatment and prevention, or the treatment or prevention, of virulent diseases, including pneumonia, diphtheria, typhoid fever, smallpox, erysipelas, tetanus, infantile paralysis, meningitis, scarlet fever, undulant fever, rabies, malaria fever and amoebic dysentery, in case the employe will definitely have been exposed to, or will have contracted, the disease and if such use will constitute accepted therapy or prophylaxis.

7. FIRST-AID SUPPLIES: First-aid supplies for the use of employes in illness and non-occupational accident cases will be procured and delivered by O. P. S. to the Employer and will be maintained during the life of this contract at such places as will be indicated by the Employer and approved by O. P. S. All unused supplies shall be returned to O. P. S. at the termination of this contract. If requested, O. P. S. will procure first-aid supplies for industrial accidents at the expense of, and by prearrangement with, the agency responsible for industrial medical aid.

8. HOSPITAL SERVICES: O. P. S. will bear the expense of hospital services and accommodations, when required for the treatment of the employes, in general hospitals approved by O. P. S., and as will be authorized by O. P. S.

Such hospital services will include ward accommodations, board, services of an hospital staff nurse, use of surgery, X-ray, laboratory service, and medical and surgical attendance, to the extent hereinafter provided. Private rooms will be procured in cases of serious nature, which in the judgment of the attending physicians or surgeons cooperating with O. P. S., require quiet surroundings and special care. Should the injured or ill employe not require special services, but desire a private room in such hospital, O. P. S. will pay such part of the cost of such private room as O. P. S. would be required to pay for ward service during the same period of time. O. P. S. shall not be liable to the Employer, or any employe, or any other person, for its inability or failure to procure hospital ward accommodations or other hospital accommodations or other services or accommodations by reason of epidemic, disaster or other cause or condition beyond the control of O. P. S.

9. AMBULANCE SERVICE: O. P. S. will procure, when necessary, ambulance service, or other appropriate transportation, for conveying the seriously ill or injured employe to the nearest general hospital approved by O. P. S., for hospital service in the event that ordinary transportation shall not be appropriate. The cost of common carrier transportation will be defrayed by O. P. S. when employes are referred to O. P. S. specialists or other functionaries for consultation or special services and when the referring of such cases is authorized in advance by O. P. S.

10. SPECIAL NURSING: Special nursing services will be procured by O. P. S. for a serious, hospitalized case when, in the judgment of the attending physician or surgeon cooperating with O. P. S., special nursing services will be required.

3800 11. X-RAY SERVICE: X-ray service will be procured by O. P. S. in case of suspected fracture, and in other injury or medical cases, when use of X-ray shall be deemed advisable by the attending physician or surgeon cooperating with O. P. S.

12. PHYSICAL THERAPY: Physical therapy, including radium, deep X-ray, infra-red, ultra-violet, diathermy and other approved treatments will be procured by O. P. S. in all cases when in the judgment of the attending physicians or surgeons such treatment shall be indicated.

13. PHYSICAL EXAMINATIONS: Subject to the further provisions of this contract, an examination of the entire body, including the heart, lungs, blood pressure, hemoglobin blood test and analysis of the urine will be made by a physician cooperating with O. P. S., upon request of the employe, whenever such an examination will not have been made within the preceding period of twelve months. Wasserman tests, blood counts, fluoroscopic and X-ray examinations will not be included in such examinations, unless such examining physician shall find specific necessity therefor and shall first obtain authorization therefor from O. P. S. Examination requiring certification will not be procured. No examination will be procured within the period of the first six months of the employe's coverage by O. P. S., except as provided in Section 17 (c) of this contract.

14. REFRACTIONS: Eye examinations and testing for eye glasses will be procured of eye specialists cooperating with O. P. S. provided that the employe will have had O. P. S. coverage continuously for three, or more, months before the occasion therefor shall arise, unless such service shall be necessary in the treatment of an acute illness or injury. Eye glasses will not be procured by O. P. S.

15. PROPHYLACTIC MEASURES: O. P. S. will procure such prophylactic measures as may reasonably be necessary in preventing the spread of disease among employes of the Employer. This service shall include cooperation with the State Board of Health in the analysis of drinking water and general sanitation work.

16. WELFARE DEPARTMENT: O. P. S. will maintain a welfare department through which it will report to the Employer the condition and progress of patients under its coverage, as requested by the Employer, and O. P. S. will report on such other matters as in its judgment are of special interest to the Employer, including matters which may in any manner affect claims for Workmen's Compensation and those affecting the general welfare of the employes of the Employer.

17. MEDICAL, SURGICAL AND HOSPITAL COVERAGE: This contract includes within its operation, and covers, and O. P. S. will procure, subject to the provisions of this contract, hospital, medical and surgical treatment, and other services, in the following cases:

(a) Accidental injury sustained by an employe during the term of his coverage, except that resulting from an industrial accident;

(b) Acute illness suffered by an employe during the term of his coverage, except acute illness symptomatic, diagnosed and being treated, or symptomatic, or diagnosed, or being treated, at the time when the employe will first become entitled to the benefits of this contract:

(c) Chronic illness arising in an employe who will have become entitled to the benefits of this contract on the date on which this contract will first become effective as to other employes of the Employer, except that during the first six months of such employe's coverage under this contract, benefits shall be limited to the acute phase of such chronic illness. Chronic illness arising in an employe who will have become entitled to the benefits of this contract after the date on which this contract will first become effective as to other employes of the Employer, except that such chronic illness as will have become active or will have manifested itself during such employe's first six months of coverage under this contract, will not be covered nor be subject to the benefits of this contract. For the purpose of this
3801 subsection (17. (c)) credit will be given to employes of the Employer for periods of coverage under other O. P. S. Full Coverage Medical and Hospital Service Agreements, and for periods of coverage under like, or substantially similar, medical and hospital service agreements of other medical contractors, provided that such periods of coverage by O. P. S. or other medical contractors will immediately have preceded such employe's coverage by this contract. A chronic illness originating, or diagnosed or treated, or becoming symptomatic, prior to the time when an employe of the Employer will have first become entitled to the benefits of O. P. S. Full Coverage Medical Service, or like benefits under a like, or substantially similar, and immedately preceding, service of another medical contractor, is not covered by this contract. A "chronic illness", as used herein, hereby is defined to be an ailment of prolonged duration characterized by slowly progressing symptoms,

as differentiated from an "acute illness", which hereby is defined to be an ailment of recent origin progressing speedily to a crisis and requiring immediate medical and surgical care, or immediate medical or surgical care. A "chronic illness" shall specifically include, without being limited to, such conditions as goiter, stomach ulcers, gall stones, kidney stones, traumatic deviated septums, sinus conditions, hernia, cancer (including treatment by radium), heart diseases, tuberculosis, neoplasms, chronic appendicitis, diseases of the prostate gland and diseases of the female reproductive organs.

18. EXCLUSIONS AND LIMITATIONS:

(a) The benefits of this contract do not apply to any of the following: Neither industrial accidents, nor injuries nor diseases falling within the provisions of any industrial insurance or Workmen's Compensation Law or contract (whether the employe or the Employer will have elected to accept, or to reject, the benefits of such law or contract) to which the employe is, or could be, eligible, nor insanity, mental disorders, pregnancy nor childbirth, nor any result of any thereof, nor venereal diseases, alcoholism, drug addiction, pyorrhea, deformities, congenital physical defects, attempts at suicide, injuries resulting from professional competitive sports, nor any result of any thereof, nor injuries nor illnesses, sustained in, or resulting from, the employe's commission of a crime, nor any condition excluded by any other provision of this contract, nor any condition which will be active, symptomatic, diagnosed, or under treatment, at or before the time when the employe will become entitled to the benefits of this contract (except as stipulated in the provisions in such respect of Section 17 of this contract), nor injuries occurring to the employe prior to his becoming entitled to the benefits of this contract, nor injury resulting from an act of personal violence in which the injured employe will have been the aggressor, nor injury nor illness sustained by the employe as a result of his use of intoxicating liquor, drug or narcotic if the use of such intoxicating liquor, drug or narcotic will have been a primary cause of such injury or illness.